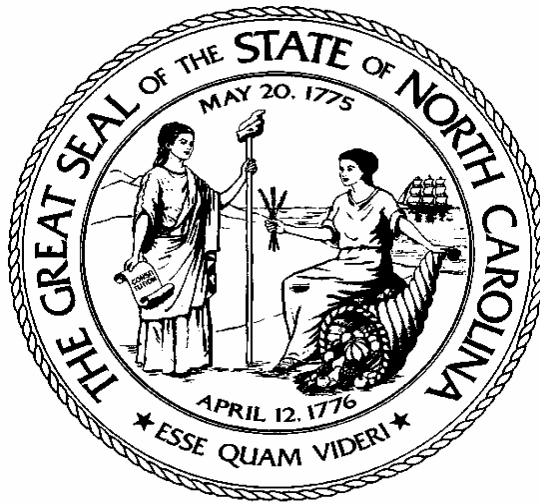


# **NORTH CAROLINA STUDY COMMISSION ON AGING**



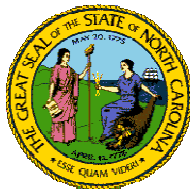
**REPORT TO THE  
GOVERNOR AND THE 2008 REGULAR SESSION OF THE  
2007 GENERAL ASSEMBLY**

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## *North Carolina Study Commission On Aging*

May 12, 2008

To: Governor Michael Easley  
Lieutenant Governor Beverly Perdue, President of the North Carolina Senate  
Senator Marc Basnight, President Pro Tempore of the North Carolina Senate  
Representative Joe Hackney, Speaker of the North Carolina House of Representatives  
Members of the 2008 Regular Session of the 2007 General Assembly

Attached is a report from the North Carolina Study Commission on Aging submitted pursuant to North Carolina General Statute §120-187. The report contains recommendations and proposed legislation from the North Carolina Study Commission on Aging based on study conducted after the adjournment of the 2007 Regular Session of the General Assembly.

Respectfully submitted,

---

Senator Vernon Malone  
Co-Chair

---

Representative Jean Farmer-Butterfield  
Co-Chair

# North Carolina Study Commission On Aging

## 2007-2008 Membership List

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Senator Vernon Malone, Co-Chair

Senator Stan Bingham

Senator Katie Dorsett

Senator James Forrester

Senator A.B. Swindell, IV

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Mr. Judy Pelt

Ms. Jean Reaves

### Ex Officio:

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Long Term Care and Family Services,  
Department of Health and Human Services

### Clerks:

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919/733-5880

Ruth Merkle  
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Mr. David Lowa

Mr. Edd Nye

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Theresa Matula,  
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- [2007-SHZ-31](#) AN ACT TO APPROPRIATE FUNDS FOR AN ADULT CARE HOME SCREENING PROCESS FOR MENTAL HEALTH AND DEVELOPMENTAL DISABILITY CONDITIONS, APPROPRIATE FUNDS FOR TRANSITIONAL RESIDENTIAL TREATMENT PROGRAM PILOT SITES, APPROPRIATE FUNDS TO SUPPORT ASSESSMENT AND SERVICE PLAN DEVELOPMENT IN ADULT CARE HOMES, AND TO STUDY SUITABLE METHODS TO PROVIDE DIRECT CARE WORKERS WITH TARGETED AND COST EFFECTIVE TRAINING ON THE CARE OF INDIVIDUALS WITH MENTAL ILLNESS, AS RECOMMENDED BY THE STUDY COMMISSION ON AGING.
- [2007-SQZ-11](#) AN ACT TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO STUDY ISSUES RELATING TO RESPITE CARE, AS RECOMMENDED BY THE STUDY COMMISSION ON AGING.
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- [2007-SHZ-27](#) AN ACT TO RAISE THE CEILING ON THE TOTAL AMOUNT OF PERSONAL PROPERTY A GUARDIAN IS ALLOWED TO SELL WITHOUT A COURT ORDER UNDER THE LAWS PERTAINING TO GUARDIANSHIP, AS RECOMMENDED BY THE HOUSE STUDY COMMITTEE ON STATE GUARDIANSHIP LAWS AND THE STUDY COMMISSION ON AGING.
- [2007-SHZ-28](#) AN ACT AUTHORIZING THE DIVISION OF MOTOR VEHICLES TO CONSIDER RECOMMENDATIONS FROM THE CLERK OF COURT IN DETERMINING WHETHER TO REVOKE THE DRIVERS LICENSE OF A PERSON ADJUDICATED INCOMPETENT UNDER THE GUARDIANSHIP LAWS, AS RECOMMENDED BY THE HOUSE STUDY COMMITTEE ON STATE GUARDIANSHIP LAWS AND THE STUDY COMMISSION ON AGING.
- [HB 93](#) AN ACT TO DIRECT THE DEPARTMENT OF TRANSPORTATION TO STUDY ISSUES RELATING TO INDIVIDUALS BEING TRANSPORTED IN VEHICLES WHILE SEATED IN WHEELCHAIRS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.
- [HB 92](#) AN ACT TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO REVIEW OPTIONS FOR INCREASING MEDICAID MEDICALLY NEEDY INCOME LIMITS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.
- [2007-SQFZ-14](#) AN ACT TO INCREASE THE LONG TERM CARE INSURANCE TAX CREDIT, AS RECOMMENDED BY THE STUDY COMMISSION ON AGING.
- [2007-SQFZ-15](#) AN ACT TO REQUIRE MULTIUNIT ASSISTED HOUSING WITH SERVICES (MAHS) PROGRAMS TO REGISTER ANNUALLY WITH THE DIVISION OF HEALTH SERVICE REGULATION AND TO AUTHORIZE THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO ESTABLISH CERTAIN FEES, AS RECOMMENDED BY THE STUDY COMMISSION ON AGING.

[2007-SHZ-30](#) AN ACT TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION OF AGING AND ADULT SERVICES, AND DIVISION OF MEDICAL ASSISTANCE, TO STUDY IMPLEMENTATION OF AN INCOME DISREGARD POLICY FOR CURRENT STATE/COUNTY SPECIAL ASSISTANCE AND MEDICAID RECIPIENTS WHO ARE ADVERSELY IMPACTED DUE TO COST OF LIVING OR OTHER INCOME INCREASES, AS RECOMMENDED BY THE STUDY COMMISSION ON AGING.

# PREFACE

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Chapter 120, Article 21, of the North Carolina General Statutes, charges the North Carolina Study Commission on Aging with studying and evaluating the existing system of delivery of State services to older adults, and recommending an improved system of delivery to meet the present and future needs of older adults. The Commission consists of 17 members. Of these members, eight are appointed by the Speaker of the House of Representatives, eight are appointed by the President Pro Tempore of the Senate. The Secretary of the Department of Health and Human Services, or the Secretary's designee, serves as an ex officio, non-voting member.

This report represents the work of the North Carolina Study Commission on Aging during the 2007-2008 interim. The Commission met on five occasions and held public hearings in Wilson and Jamestown. During a meeting on February 28, 2008, the Commission heard brief presentations on issues of interest or concern to organizations that represent older adults. The public hearings, conducted in March and April, provided citizens with an opportunity to speak to Commission members about programs and services for older adults. Based on reports received by the Commission, input from organizations that represent older adults, and comments expressed by citizens, the Study Commission on Aging presents the recommendations contained in this report.

# EXECUTIVE SUMMARY

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The North Carolina Study Commission on Aging met five times and conducted two public hearings during the 2007-2008 interim. In response to the study and evaluation of services to older adults, the North Carolina Study Commission on Aging makes the following recommendations to the Governor and the 2008 Session of the 2007 General Assembly:

## **Recommendation 1: Senior Center Funds**

The Study Commission on Aging recommends that the General Assembly appropriate an additional \$500,000, for the 2008-2009 fiscal year, to the Senior Center General Purpose Fund with the intent that it shall become part of the continuation budget.

## **Recommendation 2: Additional HCCBG Funds**

The Study Commission on Aging recommends that the General Assembly appropriate an additional \$2,500,000 to the Department of Health and Human Services, for the 2008-2009 fiscal year, for the Home and Community Care Block Grant (HCCBG).

## **Recommendation 3: Funds for Project C.A.R.E.**

The Study Commission on Aging recommends that the General Assembly appropriate \$500,000 to the Department of Health and Human Services, Division of Aging and Adult Services, for the 2008-2009 fiscal year, to fund Project C.A.R.E. (Caregiver Alternatives to Running on Empty) which provides support to individuals with dementia and their caregivers.

## **Recommendation 4: Adult Protective Services Pilot Program**

The Study Commission on Aging recommends that the General Assembly appropriate \$1,497,087 to the Department of Health and Human Services, Division of Aging and Adult Services, for the 2008-2009 fiscal year, to enact the first year of a two-year pilot program to assess proposed changes to the adult protective services statutes and to report to the Study Commission on Aging on the evaluation of the pilot by March 1, 2010.

## **Recommendation 5: Statewide Aging Study**

The Study Commission on Aging recommends support for a comprehensive, five-year statewide study of the older adult population and the State's readiness to respond to the coming wave of older adults by recommending that the General Assembly take the following steps: establish an appointment process for a steering committee; appropriate \$175,000 to the Department of Health and Human Services, Division of Aging and Adult Services, for the establishment of two positions to support the work of the study; appropriate \$3,820,000 to the Division of Aging and Adult Services, for the 2008-2009 fiscal year, to fund the first year of the study; and direct the Department of Health and Human Services, Division of Aging and Adult Services, to make annual reports to the General Assembly on the status of the study.

## **Recommendation 6: Adult Care Home Residents**

### **Recommendation 6a: Adult Care Home Admission Screening Process**

The Study Commission on Aging recommends that the General Assembly appropriate \$1,764,000, for the 2008-2009 fiscal year, to the Department of Health and Human Services, Division of Medical Assistance, to design, develop, and implement on a pilot basis, a screening process for

mental health and developmental disability conditions as part of the adult care home admission process. The process shall duplicate the nursing facility admission process and shall consist of an automated screening tool and where indicated a face-to-face assessment by a mental health or developmental disabilities professional. The Division of Medical Assistance shall report on the design, development, and piloting of the screening process for mental health and developmental disability conditions as part of the adult care home admission process on or before October 15, 2008.

#### **Recommendation 6b: Transitional Residential Treatment Program Pilot Sites**

The Study Commission on Aging recommends that the General Assembly appropriate \$567,084, for 2008-2009 fiscal year, to the Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, to fund three (3) geographically diverse Transitional Residential Treatment Program pilot sites, which shall begin in January 2009.

#### **Recommendation 6c: Care of Individuals with Mental Illness Training for Direct Care Workers in Adult Care Homes**

The Study Commission on Aging recommends that the General Assembly direct the Department of Health and Human Services, Division of Health Service Regulation, Division of Medical Assistance, and Division of Mental Health, Developmental Disabilities, and Substance Abuse Services to work with adult care home providers to build on recent studies to determine the most appropriate and cost effective way to provide training on the care of individuals with mental illness to direct care workers in adult care homes by tailoring the training to resident assessment results and utilizing web-based formats as appropriate, and to provide an interim report to the Study Commission on Aging by November 1, 2008, and a final report by November 1, 2009.

#### **Recommendation 6d. Assessment and Service Plan Development for Adult Care Home Residents**

The Study Commission on Aging recommends that the General Assembly appropriate \$580,000, for the 2008-2009 fiscal year, to the Department of Health and Human Services, Division of Medical Assistance, to support assessment and service plan development for adult care home residents and to provide an interim report by November 1, 2008, and a final report by November 1, 2009.

#### **Recommendation 7: Support for a Reward System for Adult Care Homes with High Ratings**

The Study Commission on Aging expresses support for the creation of a reward system for adult care homes that achieve high ratings and at the appropriate time, the Commission anticipates supporting the concepts outlined in the Department's report on S.L. 2007-544, Section 3(d).

#### **Recommendation 8: Support for Respite Care**

The Study Commission on Aging recommends that the General Assembly direct the Department of Health and Human Services, Division of Aging and Adult Services, to study the adequacy of service standards and funding for group respite services, and whether opportunities exist to streamline and enhance the provision of respite services; direct the Division of Medical Assistance, Department of Health and Human Services, to study the feasibility of providing respite care as a State Plan Service, and provide a report on both issues to the Commission on Aging by November 1, 2009.

#### **Recommendation 9: Study Older Adult Hearing Loss**

The Study Commission on Aging recommends that the General Assembly direct the Department of Health and Human Services to study the current and anticipated impact of hearing loss on North

Carolina's older adult population and the availability and access to qualified professionals for treatment and hearing aid purchase assistance for low income individuals; to develop an inventory of the technology available to assist individuals; and to evaluate resources and programs available in other states, with a report to the Study Commission on Aging by November 1, 2008.

#### **Recommendation 10: Criminal Background Checks for Nursing Home Administrators**

The Study Commission on Aging recommends that the General Assembly enact legislation to give the North Carolina Board of Nursing Home Administrators the authority to require a criminal history record check for nursing home administrator license applicants.

#### **Recommendation 11: Support Guardianship Study Recommendations**

The Study Commission on Aging recommends that the General Assembly enact legislation to authorize the Division of Motor Vehicles to consider recommendations from the clerk of court in determining drivers license revocation of an incompetent individual, and to raise the ceiling on the amount of personal property a guardian is allowed to sell without court order, which are both based on recommendations from the House Study Committee on State Guardianship Laws to the 2007 General Assembly.

#### **Recommendation 12: Study Safe Transport of Passengers in Wheelchairs**

The Study Commission on Aging recommends that the General Assembly enact House Bill 93, Transport of Individuals in Wheelchairs Study, as it directs the Department of Transportation to study appropriate methods of transporting passengers seated in wheelchairs, to develop guidelines for the installation and use of wheelchair tie-down systems, and to report findings and recommendations to the Study Commission on Aging and the Joint Legislative Transportation Oversight Committee. (House Bill 93 is currently in the Senate Committee on Transportation and was a recommendation to the 2007 General Assembly from the Study Commission on Aging.)

#### **Recommendation 13: Study Medically Needy Income Standard**

The Study Commission on Aging recommends that the General Assembly enact House Bill 92, Medicaid Income Limits Level Study, as it requires the Department of Health and Human Services, Division of Medical Assistance, to study the medically needy income standard and determine the best method of increasing the standard while providing improved consistency across long-term care settings and report to the Study Commission on Aging. (House Bill 92 is currently in Senate Appropriations and was a recommendation to the 2007 General Assembly from the Study Commission on Aging.)

#### **Recommendation 14: Long Term Care Insurance Tax Credit**

The Study Commission on Aging recommends that the General Assembly increase the Long-Term Care Insurance Tax Credit to 75% of the premiums paid by the purchaser up to a maximum of \$1000.

#### **Recommendation 15: Establish MAHS Registration Fee/Penalty for Failing to Register**

The Study Commission on Aging recommends that the General Assembly enact legislation to require facilities meeting the definition of multiunit assisted housing with services (MAHS) register annually with the Division of Health Services Regulation, authorize the Division to charge a fee of up to \$350 per registration, and make it a Class 3 misdemeanor punishable only by fine for failing to register.

**Recommendation 16: Special Assistance Income Disregard Study**

The Study Commission on Aging recommends the Department of Health and Human Services, Division of Aging and Adult Services, and Division of Medical Assistance, study whether North Carolina can implement an income disregard policy for current Special Assistance and Medicaid recipients who are adversely impacted due to cost of living or other income increases.

# Aging North Carolina: The 2008 Profile

*Prepared by the Department of Health and Human Services, Division of Aging and Adult Services*

## North Carolina's Demographic Shift

North Carolina remains in the midst of a significant demographic change as the state's 2.3 million baby boomers (those born between 1946 and 1964) are beginning to enter retirement age. Today, the proportion of the state's population who are seniors, ages 65 and older, is roughly 12 percent. By 2030, when the youngest baby boomers are retirement age, the proportion should reach 17.7 percent, or 2.1 million older North Carolinians. The Baby Boomer Milestones table below shows the milestones of the baby boomers expressed in terms of some major federal and state age-related programs (eligibility age in parenthesis). For example, last year (2006), the oldest boomers (i.e., born in 1946) became eligible to receive services under the Older Americans Act, and as of January of this year, some of the oldest boomers began receiving their first Social Security payments.

**Table: Baby Boomer Milestones**

Programs	Year when oldest boomers become eligible						
	2006	2007	2008	2009	2010	2011	2012
NC Senior Games participation (55)							
Older Americans Act services (60)							
Social Security at a reduced rate (62)							
Medicare benefits (65)							
Medicaid assistance for the Aged (65)							
Full Social Security (66)							

**Figure A: Growth of Older North Carolinians Age 65+ (2000-2030)**

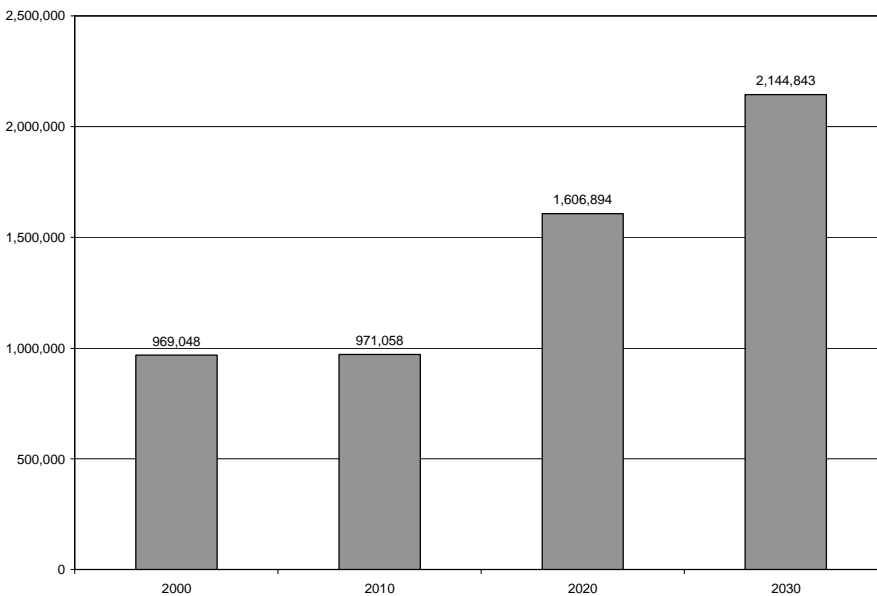
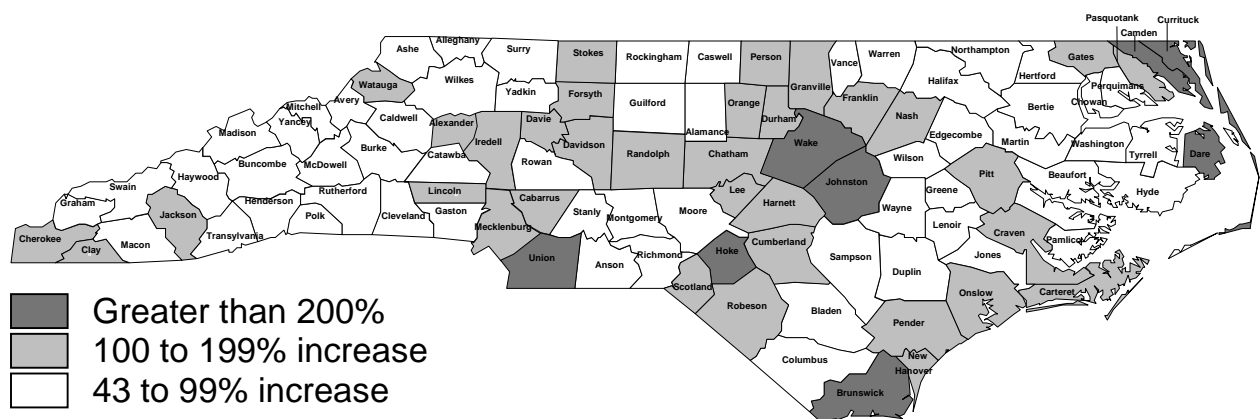


Figure A indicates the projected growth of North Carolinians age 65+ from the year 2010 to the year 2030. [1] The impact of the aging baby boomers is clearly indicated. As the graph shows, there is little expected growth in the older population between 2000 and 2010. This is because the Great Depression and World War II were times when the entire country experienced the lowest birth rates the country had ever experienced up until that time. The small number of people born during those two times (1929 to 1945) will be 65 to 81 years old in 2010. However, due to retirement migration to North Carolina, we will not see an actual decline in the number of older adults in that period, as some states will, but the growth will be modest.

Figure B shows the projected growth of the older population by county between 2000 and 2030. During this period, growth for the state as a whole is projected at 50 percent, while the population 65 and older is expected to grow 121 percent, and the population 85 and older is expected to grow 144 percent. [1]

The eight counties with more than 200 percent growth can be divided into two very different categories. Union, Wake, Johnston, and Hoke counties are experiencing rapid growth in their overall population as expanding parts of metropolitan areas, and they will remain relatively “young” (the proportion of their population projected to be over 65 is lower than that of the state as a whole.) The remaining four counties—Brunswick, Camden, Currituck, and Dare—by contrast, are projected to see disproportionate growth in their aging population. Brunswick and Dare, in particular, are projected to have substantially higher percentages of older adults (26.4 percent and 24.1 percent respectively), compared to 17.7 percent for the state as a whole.

**Figure B. Projected Growth of Population Ages 65 and Older from 2000 to 2030**



Based on 2000 Census counts ([www.census.gov](http://www.census.gov)) and April 2030 projections (2006, Demographic Unit, Office of State Budget and Management)

More than 25% aged 65+

20 to 24.9% aged 65+

Less than 20% aged 65+

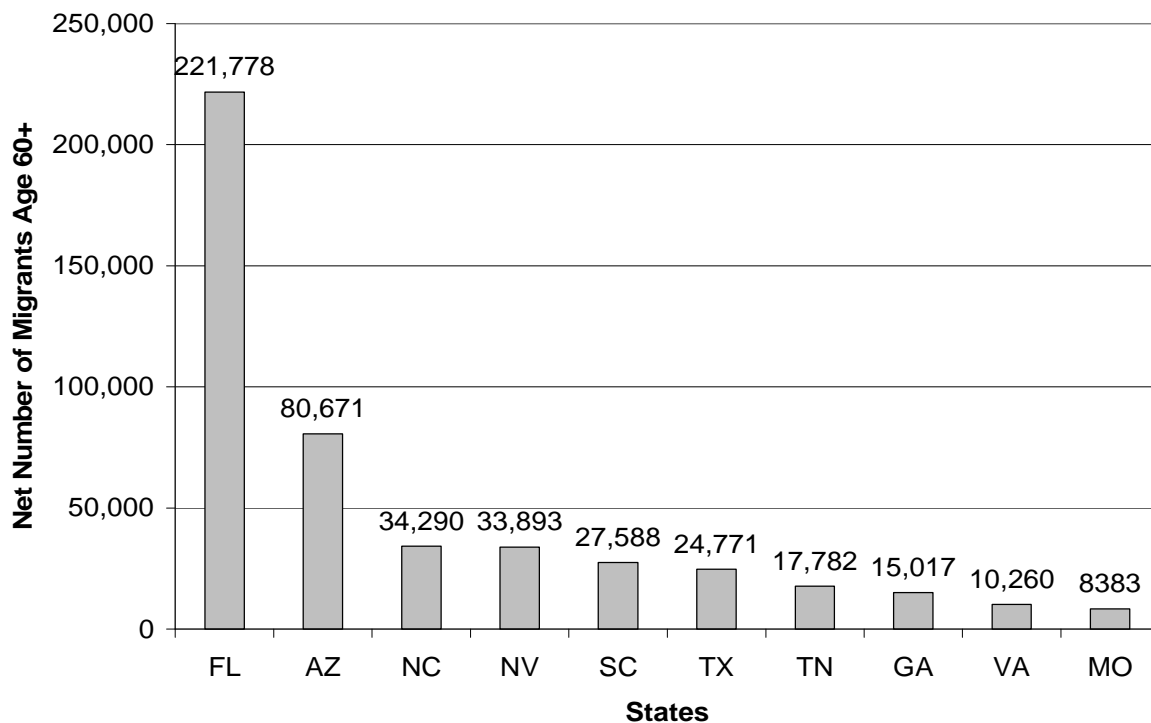
Based on April 2030 projections (2006, Demographic Unit, Office of State Budget and Management)

Although decreases in both fertility and mortality are the major factors in the aging of the state's population, migration also plays a key role. The following factors contribute to the different rates of aging in the state's 100 counties [2]:

- Rural-to-urban migration of young adults continues to age rural counties.
- Large metropolitan counties attract large numbers of persons from outside the state as well as from rural counties.
- Large metropolitan counties are experiencing greater growth among younger adults than they are among older adults.
- A large number of older adults with higher incomes are retiring in some western and coastal counties, as well as other select counties with attractions to specific groups of older adults (e.g., golf courses).

As shown in Figure D, North Carolina ranked third nationally as a retirement migration destination with a net migration number of 34,290 among older adults (60+) in the five-year period between 1995 and 2000. Along with other Sunbelt states (Florida, South Carolina, Texas, Tennessee, Georgia, and Virginia), North Carolina remains a popular destination for people of all ages, including seniors. [3] The latest data estimate is that 30,491 older adults (60+) relocated to North Carolina from other states and abroad, in just one year, between 2005 and 2006 [4]. That means that in 2006, two percent of people age 60 and older currently residing in North Carolina had been living in another state the previous year.

**Figure D: Top Ten States with Net Number of Migrants Age 60+ (1995-2000)**



According to the most recent life tables from the North Carolina State Center for Health Statistics, if age-specific mortality remains unchanged, babies born today in North Carolina are expected to live, on average, to the age of 75.6 years. The North Carolinians who are age 60 today are expected to live, on average, an additional 20.8 years to almost 81 years old. Generally, women live longer than men and whites live longer than persons of other racial groups. However, at the oldest ages, African Americans, in particular, have a life expectancy that is the same or slightly greater than that of whites. This is known as the “crossover effect.” [5]

#### **Life Expectancies (in Years) by Age Group, Gender, and Race**

Age Groups	NC Combined	White		All other Races*	
		Male	Female	Male	Female
(At Birth)	75.6	73.8	79.6	68.0	75.8
60-64	20.8	19.0	22.9	16.8	21.5
65-69	17.1	15.4	18.9	13.8	17.8
70-74	13.7	12.2	15.1	11.1	14.5
75-79	10.6	9.3	11.6	8.8	11.4
80-84	7.9	6.8	8.5	6.7	8.6
85+	5.4	4.5	5.7	4.8	6.0

\*This group is primarily African American, but other much smaller racial groups including Asian and American Indian, are included. Source: NC Center for Health Statistics (2002). *Healthy Life Expectancy in North Carolina, 1996-2000*

## **What Are the Implications of this Shift?**

The aging of the population is a national and international trend, and North Carolina, like the rest of the world, must be prepared to reap the benefits and face the challenges of an older population. Government faces decisions about the allocation of public resources from a tax base that may experience slowed growth, especially in many aging rural counties. People must consider living and caregiving arrangements in light of smaller nuclear and extended families. The health, human service, employment, and education systems must adapt to the changing needs and interests of the seniors of today and tomorrow. The business and faith communities as well as others must identify and respond to the challenges and opportunities of these demographic shifts.

In the 2003-2007 State Aging Services Plan, the Division of Aging and Adult Services, Department of Health and Human Services, introduced a new initiative—Livable and Senior-Friendly Communities—to raise awareness of the aging of our population. The initiative was also designed to encourage North Carolina's communities to become more senior-friendly, and livable for all people, through collaboration among citizens, agencies, organizations, and programs, in both the public and private arenas. This initiative formed the core around which the 2007–2011 State Aging Services Plan was organized. A livable and senior-friendly community in North Carolina will draw on the talents and resources of active seniors while enhancing services for those who are vulnerable because of their health, economic hardships, social isolation, or other conditions. A livable and senior-friendly community will work to address a wide range of issues and concerns (e.g., air quality, housing, long-term care services, employment, enrichment opportunities) that, as a whole, affect the quality of life of seniors and others in the community. Also, a livable and senior-friendly community will assure good stewardship of its resources to meet the needs of today's seniors, while helping baby boomers and younger generations prepare for the future.

## **Demographic Highlights**

### ***Population***

North Carolina ranks tenth among states in the number of persons age 65 and older and tenth in the size of the entire population. [6] The fast pace of growth of the state's older population is evident in a US Census Bureau's release in which North Carolina was ranked fourth nationally in the increase of the number of older persons age 65+ (47,198 in NC) between April 2000 and July 2003. Only three other states (California, Texas, and Florida) reported a greater increase among their older populations. Even so, when combined with the equally strong growth in other age groups, North Carolina continues to maintain an overall healthy demographic balance among the generations, as it is thirty-eighth among states in the proportion of the population over 65. [7]

- Estimated NC population age 65+ in 2006: 1,059,551 (12.0 percent of total population)
- Estimated NC population age 85+ in 2006: 132,412 (1.5 percent of the total population)

### ***Diversity and Disparity***

North Carolina is rich in diversity, but its citizens face challenges because of the disparity that exists among all populations, including older adults. Some important differences among NC's older adults relate to gender, marital status, ethnicity/race, residence, rurality, disability, health status, grandparents raising grandchildren, and veteran status.

- Gender: Older women represent 59.8 percent of the 65+ age group and 72.4 percent of the 85+ age group. [8] The higher rate of poverty among older women remains a primary issue today. For example, women age 75+ are twice as likely to be poor as men the same age. [9]
- Marital Status: Because men have shorter life expectancy, and because they tend to marry

younger women, at ages 65 and older, women are more than twice as likely to be unmarried as men in their age group. [10] Data show that being unmarried (widowed, divorced, separated, or never married) increases a woman's vulnerability to poverty. According to the Social Security Administration, in 2005, 89% of married couples and 88% of nonmarried persons aged 65 or older received Social Security benefits. Social Security was the major source of income (providing at least 50% of total income) for 54% of aged beneficiary couples and 72% of aged nonmarried beneficiaries. It was 90% or more of income for 22% of aged beneficiary couples and 42% of aged nonmarried beneficiaries. [11]

#### Percent of Unmarried Individuals by Age Group

	Age 65-74	Age 75-84	Age 85+
Unmarried Women in NC	45.0	65.0	89.6
Unmarried Men in NC	20.9	26.0	41.4

Source: American Community Survey (2006). *Table B12002*.

- **Ethnicity/Race:** Altogether 18.7 percent of persons age 65+ are members of ethnic minority groups in North Carolina. [12] Compared to the nation as a whole, North Carolina's population age 65+ includes a larger proportion who are African American (15.6 percent in NC compared to 8.3 percent nationally) and a smaller proportion of Latinos (1.2 percent in NC compared to 6.4 percent nationally). American Indians, Asian Americans, and other ethnic groups account for 2.0 percent of the age group 65 and older. In North Carolina, as well as nationally, older adults from most ethnic minority groups show both a higher poverty rate and a lower life expectancy when compared with the non-Latino white population. Poverty rates for the two largest racial groups are shown in the table below. [Note: See the Demographic Shift section for the information on life expectancy.]

#### Percent Below Poverty Level for the Older Population of North Carolina by Gender, Race, and Age Group

	White		African American	
	Male	Female	Male	Female
Age Group 65 - 74	5.0	8.5	17.6	23.5
Age Group 75+	6.5	12.6	21.9	35.0
Data from 2006 American Community Survey reflecting poverty in 2005.				

- **Residence:** The 2000 Census showed that in North Carolina, 81.4 percent of householders age 65 and older owned their homes (with or without mortgage), yet among homeowners in that age group, over 61,000 reported incomes for 1999 that were below poverty. This figure means that 11.8 percent of the homeowners over age 65 were poor, compared to 7.5 percent for homeowners of all age groups. [13] This has implications for both helping some older adults be responsible for their own needs (e.g., reverse mortgages) and for the need for property tax relief to older adults. Among renters age 65+ who provided information, 63.2 percent, or 72,739 households, spent more than 30 percent of their household income on rent [14]. Furthermore, 5,000 North Carolina homeowners and renters age 65+ lacked complete

plumbing facilities in their homes. [15]

- Rurality: Among all age groups, 39.8 percent of North Carolina residents live in rural areas compared to only 21.0 percent for the country as a whole. [16] The percentage among older adults is no doubt higher (based on the percentages of older adults in the predominantly rural counties), but there is no age-specific figure available. In 2000, North Carolina's rural population (3,202,238) was almost as large as the one in Texas (3,647,747), the state with the largest number of rural residents in the nation. Not only was North Carolina's rural population among the largest in terms of numbers, but the state also reported the highest proportion (39.8 percent) of rural population among the 20 most populous states in the nation. While 11 other states reported higher proportions of rural population, ranging from 40.7 percent to 61.8 percent, all of these states are much smaller in total population than North Carolina. Thus, North Carolina is unique among more populous states in having so large a rural contingency. At the same time North Carolina has made the transition away from an agricultural economy so that only 1.1 percent of its people live on farms, only slightly more than the 1.0 percent for the nation as a whole. A 2002 report from Making a Difference in Communities (MDC) highlights a long list of challenges that rural residents and their communities face—isolation by distance, lagging infrastructure, sparse resources that cannot adequately support education and other public services, and weak economic competitiveness. [17]
- Disability: In North Carolina, 42.0 percent of the non-institutionalized civilian population ages 65 and older reported having one or more disabilities by the US Census definition—45.5 percent of women and 40.7 percent of men, according to the 2006 American Community Survey. [18] The Census Bureau defines disability as “a long-lasting physical, mental, or emotional condition that makes it difficult for a person to do activities such as walking, climbing stairs, dressing, bathing, learning, or remembering. This condition can also impede a person from being able to go outside the home alone or to work at a job or business.” This definition is very broad and leads to counting a number of people who, indeed, have difficulties but are able to function independently and would not meet the average person’s perception of a person with a disability.
- Health Status: Heart disease is the leading cause of death among older adults both nationwide and in North Carolina with cancer and stroke, second and third on the list. [19] In particular, the coastal plain region of North Carolina has the fourth highest stroke death rate in the nation and is labeled by some as the Buckle of the Stroke Belt [20]. African Americans and other racial minorities are at substantially higher risk for certain chronic conditions such as heart disease, stroke, and diabetes (a major contributor to heart disease, stroke, and other conditions). [5] Diabetes mellitus is the sixth leading cause of death for the older North Carolina population in general, but like stroke, it is a more serious threat to the African-American community, being the fourth highest cause of death in African Americans of all ages in our state [19].

## Five Leading Causes of Death among North Carolinians Age 65+

Rank	Cause
1	Heart diseases
2	Cancer
3	Cerebrovascular diseases including stroke
4	Chronic lower respiratory diseases
5	Alzheimer's disease

Source: NC Center for Health Statistics (2006). *Leading Causes of Death – 2005*.

An important factor in health status is physical activity. A sedentary lifestyle is known to increase a person's risk of heart disease, diabetes, and other chronic conditions. Unfortunately, in a multi-year study, North Carolinians age 65+ were ranked 48th among the 50 states in physical activity with nearly 40 percent of residents aged 65 and older reporting that they did not engage in any physical activity in the past month. [21] The 2005 Behavioral Risk Factor Surveillance System (BRFSS) shows that nearly 66 percent of adults in that age group do not participate in recommended levels of physical activity [22]. The BRFSS also shows over one-third of people age 65+ say that their general health status is fair or poor.

- **Grandparents Raising Grandchildren:** According to the 2006 American Community there were 85,358 NC grandparents who reported that they had one or more grandchildren living with them *for whom they are responsible*. This represents nearly half of all grandparents whose grandchildren live with them and 1.6 percent of all North Carolina grandparents. Among those grandparents responsible for their grandchildren, over 49 percent live in households in which neither parent of the child is present. [23] According to AARP, 47 percent of NC grandparents responsible for their grandchildren are African American; 2 percent are Hispanic/Latino; 2 percent are American Indian or Alaskan Native; and 47 percent are white [24]. Given the relative sizes of these populations, it is clear that this is an even larger issue in the African-American community than among other ethnic groups.[24]
- **Veteran Status:** Of the estimated 773,861 veterans living in North Carolina in 2007, over 263,755, or 34 percent, were age 65 and older. Another 260,811 (33 percent) were age 50 to 65, most of whom were Vietnam-era veterans. [25] The group of veterans from the Vietnam-era contains proportionally more disabled members than survivors of earlier wars due to quicker and more advanced medical treatment. [26] The Veterans Administration has frequently written about the aging of the veterans as a major challenge to its health care system in coming years.

### Summary

In summary, North Carolina has a large, economically and ethnically diverse older population. With this diversity come both special assets and special challenges. Even the most vulnerable older adults often give as much to their communities as they receive. Nevertheless, we must be aware that those who face disabilities, disparities of income and health care, and the responsibilities of caring for grandchildren are more likely to need public services and supports. While meeting these disparate needs of today's older adults, our state is also witnessing the first minor steps of the transition of the baby boomers into retirement ages. This will transform the age structure of the

state and bring a new generation of older adults with some of the same historic issues, but also new attitudes, new challenges, new opportunities, and new resources.

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<http://www1.va.gov/vetdata/docs/11.xls>
- [26] US Department of Veterans' Affairs (2002) *VA History in Brief* [http://webpages.charter.net/wisconsinlegion-7thdistrict/VA\\_History.htm#Vietnam\\_War](http://webpages.charter.net/wisconsinlegion-7thdistrict/VA_History.htm#Vietnam_War)

### ***Web Sites for Related Information***

- NC Division of Aging and Adult Services (<http://www.dhhs.state.nc.us/aging/demo.htm>)
- Demographics Unit, NC Office of Budget and Management (<http://demog.state.nc.us/>)
- NC State Center for Health Statistics (<http://www.schs.state.nc.us/SCHS/>)
- US Census Bureau (<http://www.census.gov>)

# COMMISSION PROCEEDINGS

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## January 24, 2008

The North Carolina Study Commission on Aging met on Thursday, January 24, 2008, at 10:00 a.m.. in Room 643 of the Legislative Office Building. Senator Vernon Malone presided. Following introductions, Theresa Matula, Commission staff, presented an overview of the Commission's responsibilities and statutory authority, the tentative meeting schedule for the interim, and the Commission's budget. The Commission approved the budget.

Next the Commission heard from Shawn Parker, Commission staff, who presented a status report of the Study Commission on Aging's recommendations to the Governor and the 2007 General Assembly. A copy of the 2007 Recommendation Status Report is included in [Appendix A](#). Ben Popkin, Commission staff, then presented a document containing summaries of substantive legislation related to older adults that was enacted during the 2007 Session. The Summary of Substantive Legislation Related to Aging is included in [Appendix A](#). Mr. Popkin was followed by Melanie Bush of the Fiscal Research Division who provided an overview of 2007-2009 legislative budget actions and special provisions which are also provided in [Appendix A](#).

The next presentation was an overview of older adults in North Carolina provided by Ms. Matula. Her presentation focused on: who they are, how many there are, where they live, and what types of programs and services are available for older adults in North Carolina. The presentation included data on changes in the North Carolina population which depict the probability of significant growth in the older adult population. The presentation included a brief summary of the range of services provided in the State which include: Senior Games, Senior Centers, Adult Day Care and Adult Day Health Care, State/County Special Assistance, the State/County Special Assistance In-Home Program, the services provided by Home and Community Care Block Grant funds, the Community Alternatives Program for Disabled Adults (CAP/DA), assisted living, Multiunit Assisted Housing with Services, Adult Care Homes, Nursing Homes, and Continuing Care Retirement Communities. Ms. Matula ended her presentation by mentioning additional information and resources including the Area Agencies on Aging and various divisions within the Department of Health and Human Services that serve older adults.

The last presentation for this meeting was a report required by S.L. 2007-355, Section 2. In response to the growth projections for the age 60+ population, the Division of Aging and Adult Services, Department of Health and Human Services, was required to make recommendations on a study to include all counties in North Carolina. The legislation required that the recommendation specify the criteria that should be included in a study and an appropriate funding level for such a study. Dennis Streets, Director, Division of Aging and Adult Services, reported that of the states surveyed, 15 states indicated that they had undertaken a comprehensive statewide study in the past five years. The reported costs ranged from \$20,000 to \$500,000 for the survey, but the states emphasized that the important work does not end in a study. In fact, the study is just the beginning. In response to these findings, the Division recommended the following: the State create a strategic steering team; assess consumer needs, assets, and expectations; assess State and local awareness and preparedness; conduct special studies; support State and local planning; and create an aging data warehouse. The Division estimated a cost of \$175,000 for the establishment of two positions to support the work of the study, and \$3,820,000 to fund the first year of the study. Of the \$3,820,000, \$1,470,000 would be used to strengthen the capacity of Area Agencies on Aging (AAA) for support of regional and local planning (including \$270,000 to restore AAA State support reduced in 2001, and \$1,200,000 to add a position at each AAA to facilitate regional and community planning for

aging). The remaining \$2,000,000 would provide \$20,000 to each county to aid the work of citizen-driven local aging leadership planning teams.

For a period of time, the agenda and handouts for this meeting are available on the internet at: <http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=38>. (Look under 2007-08 Interim Committee Meetings, 1-24-08 Meeting.)

## **February 28, 2008**

The North Carolina Study Commission on Aging met on February 28, 2008, at 1:00 p.m. in Room 544 of the Legislative Office Building. Representative Jean Farmer-Butterfield was the presiding Co-Chair.

During this meeting, the Commission heard brief presentations from 21 associations and organizations that represent older adults. Each organization presented their legislative priorities and or issues of concern to the Commission. For summary purposes, the issues mentioned with the greatest frequency were: Increase Home and Community Care Block Grant Funds, Increase Senior Center Funds, Provide Funding for Project C.A.R.E., Support for Adult Protective Services/Enact and Fund the Adult Protective Services Clearinghouse Model Pilot, and Increase Funds for New and Existing Special Care Dental Programs (Care in Underserved Areas, Long-term Care, Disabled Seniors at Home). A Summary of Issues Most Frequently Mentioned by Organizations Representing Older Adults is located in [Appendix B](#).

The Commission also heard a report on Project C.A.R.E. (Caregiver Alternatives to Running on Empty). Steve Freedman, Service Operations Section Chief, Division of Aging and Adult Services, Department of Health and Human Services; Dr. Charles Dickens, Speaker, Senior Tar Heel Legislature; and Lisa Gwyther, Family Support Program Director, Duke Center for the Study of Aging and Human Development; provided information about Project C.A.R.E. The goal of Project C.A.R.E is to increase quality, access, choice, and use of respite and support services to low-income rural and minority families caring for a person with dementia at home or within a hospital setting. The program currently has three pilot sites that serve 14 counties and is administered through the Division of Aging and Adult Services. The Division receives consultation and technical assistance from the Duke Aging Center Family Support Program and is currently based within the Mecklenburg County Department of Social Services, and two area offices of the Western Carolina Alzheimer's Chapter. Project C.A.R.E. has received national recognition by numerous organizations as a best practice model. Funding thus far has been provided by the U.S. Administration on Aging's Alzheimer's Disease Demonstration Grants, leveraged through grants provided by private foundations, and supplemented by Family Caregiver Support Programs. However, grant funding is no longer an option for this particular program and State funding is needed to continue the program. It was reported that the Department of Health and Human Services, Division of Aging and Adult Services, would need \$500,000 to sustain Project C.A.R.E. activities in 14 western and piedmont counties.

For a period of time, the agenda and handouts for this meeting are available on the internet at: <http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=38>. (Look under 2007-08 Interim Committee Meetings, 2-28-08 Meeting.)

## **March 6, 2008**

The North Carolina Study Commission on Aging conducted the first of two public hearings this interim on March 6, 2008, at 10:00 a.m. in the Upper Coastal Plain business Development Center, Wilson, North Carolina. Representative Jean Farmer-Butterfield was the presiding Co-Chair. At this hearing, forty-two (42) people spoke to Commission members about a number of concerns

including: Increase Funding/Continue Support for Senior Centers, Increase/Continue Support for Senior Games, Increase/Continue Funding for Alzheimer's and Project C.A.R.E., Increase Funding for Home and Community Care Block Grant (HCCBG), Resolve Issues Related to Mentally Ill in Long-Term Care Facilities, Increase Funding/Support for Senior Friendly Housing. [Appendix C](#) contains a summary of the public hearing comments.

## **March 28, 2008**

The North Carolina Study Commission on Aging met on Friday, March 28, 2008, at 10:00 a.m. in Room 544 of the Legislative Office Building. Senator Vernon Malone was the presiding Co-Chair. At this meeting, the Commission received a summary of the issues most frequently mentioned during organization presentations and public hearings; heard a presentation from Dr. Victor Marshall, Director, UNC Institute on Aging; and received reports on Respite Care, Mentally Ill in Adult Care Homes, and a Reward System for Adult Care Homes with High Ratings.

Theresa Matula, Commission staff, presented summaries of the issues most frequently mentioned on February 28, 2008, by organizations representing older adults, and a summary of the issues most frequently mentioned during the public hearing on March 6, 2008. These summaries are located in [Appendix B](#) and [Appendix C](#).

Next, Victor Marshall, Director, UNC Institute on Aging, provided the Commission with information about UNC Institute on Aging and the projects and programs that it supports. Dr. Marshall also expressed: recommendations for a statewide aging study; the importance of addressing public health issues of older adults; support for the Win A Step Up program; and concerns related to aging workforce initiatives, specifically mentioning the Forum on North Carolina's Aging Workforce, a two-day conference scheduled for September 23-24, 2008.

In response to S.L. 2007-39, Larry Nason, Chief, Facility and Community Care Section, Division of Medical Assistance, Department of Health and Human Services (DHHS), provided a report on respite care. The report included information on the availability of respite care in North Carolina, respite care in other states, and outlined four model programs. The respite care study group made the following findings: separate statutory language for respite care is not needed; the existing licensure and certification systems used by the Division of Health Service Regulation and the Division of Aging and Adult Services allow for appropriate regulation of all levels and types of respite care; consistent and predictable State funding for current respite care models is needed; currently NC Medicaid only provides respite care as a billable service under its waiver programs and as such, respite care is not provided as a "regular Medicaid" benefit under the State Plan. The study group recommended that the North Carolina General Assembly provide an appropriation for Project C.A.R.E., increase the State Adult Day Care Fund, and expand the Aging and Disability Resource Connections to increase information and access on respite care services. The study group also recommended that the Division of Aging and Adult Services study the place of group respite programs in the long-term care continuum and assess the adequacy of service standards and funding, and that the Division of Medical Assistance continue to study the potential of respite as a State Plan Service.

S.L. 2007-156 required the Department of Health and Human Services to study rules and regulations regarding housing individuals with mental illness in the same facility vicinity as individuals without mental illness, and to recommend staff training requirements for direct care workers in adult care homes to provide appropriate care to residents with mental illness. Jackie Sheppard, Assistant Secretary, Long Term Care and Family Services, DHHS, and Bonnie Morrell, Best Practice & Community Innovations Team Leader, Division of Mental Health, Developmental Disabilities and Substance Abuse Services, DHHS presented the report. The report includes: an

overview of how eight other states handle placement of mentally ill individuals in assisted living/adult care home facilities; information on the limited use of adult care home special care units for residents with mental health disorders; revisions to staffing rules; recommendations and cost figures on the screening, assessment, and the provision of services to mentally ill individuals in adult care homes; and proposed training recommendations and associated costs.

The report recommended six items at a cost of \$20.9 million dollars in recurring funds and approximately \$1.8 million in nonrecurring funds. The recommended system includes: developing and automating a comprehensive assessment and care plan system for residents in adult care homes; expanding required minimum training levels; requiring Preadmission Screening and Annual Resident Review (PASARR) Level II assessments of adult care home residents or potential residents who are referred for this level of evaluation; determination of specialized mental health care needs based on PASARR Level II assessments; development of additional capacity to serve residents in adult care homes who need mental health services; and the implementation of a pilot to develop a residential program for people with mental illness currently in adult care homes but who require a different residential setting. The report included a flow chart depicting the steps for an individual with a history of mental illness. The first step included screening adult care home residents using the Medicaid Uniform Screening Tool (MUST) which would identify the need for a face to face mental health evaluation. If the mental health assessment was needed, a professional assessment would be given using PASARR Level II. For those individuals that need specialized mental health services, care would be provided either in a mental health residential setting, or the person would live in the adult care home and mental health care would be provided by community mental health services. The key to implementation of most, if not all, of these changes seem to hinge on screening and assessment of adult care home residents to determine individual needs.

The final report for this meeting presented by Jeff Horton, Chief Operating Officer, Division of Health Service Regulation, DHHS, was on a reward system for adult care homes with high ratings. The report, developed pursuant to S.L. 2007-544, Section 3d., recommended a system modeled after a nursing home program that has been successful in making facilities better places for residents to live and better places for employees to work. The report recommends that adult care homes achieving a four star rating (100 points or higher on two consecutive annual surveys by the Division of Health Service Regulation), under the Star Rating System, are deemed to have received a high rating and are therefore eligible for the reward.

The nursing home program is funded with civil monetary penalties. However, under North Carolina law, fines collected from adult care homes are transferred to local education agencies. As such the General Assembly would have to appropriate funds for the reward system for adult care homes. The Star Rating System is effective January 2009, thus January 2010 would be the first time facilities might be eligible for rewards, assuming a score of 100 points during the 2009 cycle and during the 2010 cycle.

For a period of time, the agenda and handouts for this meeting are available on the internet at: <http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=38>. (Look under 2007-08 Interim Committee Meetings, 3-28-08 Meeting.)

## **April 10, 2008**

The North Carolina Study Commission on Aging met at 10:00 a.m. on April 10, 2008, in Room 421 of the Legislative Office Building. Representative Jean Farmer-Butterfield presided. Presentation topics included: criminal background checks for nursing home administrators, guardianship issues, hearing challenges for older adults, and a report on the aging service levels and needs study.

Jane Baker, Executive Director, North Carolina State Board of Examiners for Nursing Home

Administrators, and Steve Fleming, Chair, North Carolina State Board of Examiners for Nursing Home Administrators, presented information on a statutory amendment that would grant the Board the authority to conduct criminal history record checks. Information presented to the Commission indicated that the Board desires the authority to require criminal history record checks on: applicants from North Carolina, applicants seeking licensure by reciprocity, and persons renewing their licenses.

Pamela W. Best, Deputy Legal Counsel, Administrative Office of the Courts, gave the Commission an overview of guardianship in North Carolina. Her presentation focused on the determination of incompetency, the appointment of a guardian, and the powers and responsibilities of guardians. Representative Melanie Goodwin followed the presentation with information on two recommendations from the House Study Committee on State Guardianship Laws to the 2007 General Assembly. The Study Committee on State Guardianship Laws found that guardians currently have the authority to sell up to \$1,500 worth of personal property without a court order in order to meet the monetary needs of the ward, but determined that this amount was outdated and insufficient, and recommended that the total amount of personal property allowed to be sold without a court order be increased to \$15,000. In response to the findings, House Bill 794 was introduced but did not crossover to the Senate and is not eligible for consideration during the 2008 Session. During the course of their work, the Committee on State Guardianship Laws also found it unnecessary for the Division of Motor Vehicles to automatically revoke the drivers license of an individual who has been declared incompetent. In response, the Committee recommended that the Division of Motor Vehicles be authorized to not automatically revoke the drivers license of an incompetent if the clerk of superior court recommends the incompetent be allowed to retain the drivers license. House Bill 796 was introduced during the 2007 Session, but did not crossover to the Senate and is not eligible for consideration during the 2008 Session.

Dennis Streets, Director, Division of Aging and Adult Services, Department of Health and Human Services presented a report in response to S.L. 2007-355, Section 1. The law directed the Division of Aging and Adult Services, to work with the Division of Health Service Regulation; Division of Medical Assistance; Division of Public Health; and the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services; to study programs and services for older adults in Brunswick, Buncombe, Gaston, Henderson, Moore, and New Hanover Counties which currently have, or are projected by 2030 to have, the largest numbers of individuals age 60+ when compared to individuals age 17 and younger. In conducting the study, the Division was directed to utilize existing data and resources, to include the Area Agencies on Aging serving each county studied, and to report to the Study Commission on Aging and to the board of county commissioners of each county studied. The study included the following elements: a profile of the current older adult population; a profile of the projected growth for the older adult population; an assessment of the anticipated impact on programs and services that address the needs of the older adult population; identification of programs and services that are currently in place; identification of programs and services that are needed to meet the growth projections; current funding sources for programs and services serving the older adult population; anticipated funding needs for programs and services serving the older adult population; and a delineation of the programs and services that are shared or offered jointly with another county. Mr. Streets outlined the approach taken, the products provided to each of the six counties, and highlighted particular findings for the Commission. The presentation also listed the top areas of concern identified by the survey.

Next, Theresa Matula, Commission staff, presented draft recommendations for the Commission's consideration. The draft recommendations represented a range of programs and issues heard by the Commission during the interim. Ms. Matula presented 13 recommendations with background information for each and explained that once the Commission approved recommendations, they would be compiled in a report, including bill drafts as applicable, for the Governor and the 2008

General Assembly. During this meeting, the Commission approved 13 recommendations contained in this report and agreed to consider several additional recommendations presented by a Commission member at the final meeting on May 12, 2008.

For a period of time, the agenda and handouts for this meeting are available on the internet at: <http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=38>. (Look under 2007-08 Interim Committee Meetings, 4-10-08 Meeting.)

### **April 24, 2008**

The North Carolina Study Commission on Aging conducted a second public hearing this interim at 10:00 a.m. on April 24, 2008 at the Town Hall in Jamestown, North Carolina. The Commission heard from fifty-two (52) individuals during this hearing. The issues mentioned with greatest frequency during the Jamestown hearing were: Funding for Project C.A.R.E., Continued Support for the Star Rating System, Support for the Adult Protective Services Pilot Program, Increased Funding for the Home and Community Care Block Grant (HCCBG), Support for Access Dental Care and Mobile Dental Units, Support for Adult Day Care, and Support for Senior Centers. [Appendix C](#) contains a summary of the public hearings and information on which topics were mentioned most frequently at both hearings.

### **May 12, 2008**

The North Carolina Study Commission on Aging met on May 12, 2008, at 10:00 a.m. in Room 544 of the Legislative Office Building. Senator Malone was the presiding Co-Chair. During the meeting, staff reviewed the Commission's draft report to the Governor and the 2008 Regular Session of the 2007 General Assembly. The Commission voted to approve the draft report as amended.

# COMMISSION RECOMMENDATIONS

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The North Carolina Study Commission on Aging makes the recommendations presented in this report to the Governor and the 2008 Session of the 2007 General Assembly. Each recommendation is followed by background information, and corresponding legislative proposals, if applicable, appear [Appendix D](#) of this report.

## **Recommendation 1: Senior Center Funds**

The Study Commission on Aging recommends that the General Assembly appropriate an additional \$500,000, for the 2008-2009 fiscal year, to the Senior Center General Purpose Fund with the intent that it shall become part of the continuation budget.

## **Background 1: Senior Center Funds**

During 2007, the Study Commission on Aging recommended that the General Assembly appropriate an additional \$500,000 for the 2007-2008 fiscal year (FY) and \$500,000 for the 2008-2009 FY, to the Senior Center General Purpose Fund to provide additional support for Senior Centers. The Health and Human Services Conference Report for S.L. 2007-323 (HB 1473) contained \$200,000 in non-recurring funding for the 2007-2008 FY for the Senior Center General Purpose Fund.

Increasing senior center funds generally, or specifically making the 2007-2008 FY increase recurring, were the most frequently mentioned items during the Wilson public hearing on March 6, 2008 and was mentioned often during the public hearing in Jamestown. Increasing senior center funding was the second most frequently mentioned item during the February 28, presentations to the Commission by organizations representing older adults. It was listed as a priority by the Governor's Advisory Council on Aging, and the Senior Tar Heel Legislature, among others.

Services offered through senior centers include: health and wellness programs, arts and humanities, intergenerational programs, employment assistance, transportation services, and volunteer opportunities. The National Institute of Senior Centers defines a senior center as a, "place where older adults come together for services and activities that reflect their experience and skills, respond to their diverse needs and interests, enhance their dignity, support their independence, and encourage their involvement in and with the center and the community."

The Division of Aging and Adult Services reports that there are currently 164 recognized senior centers in North Carolina. Primary sources of funding are: 1) the Home and Community Care Block Grant, 2) local government, and 3) the State's Senior Center General Purpose and Outreach Funds.

The State supports senior centers by funding the Senior Center Outreach and General Purpose funds. The Senior Center General Purpose Fund was initiated in 1997 and is used for any purpose that supports operations or development including: equipment purchases/repairs, building maintenance, supplies, administrative costs, activities, and construction.

The State appropriation for the 2007-2008 FY is \$1,465,316 for the Senior Center General Purpose Fund and \$100,000 for Senior Center Outreach. An additional 25% local cash or in-kind match is required for receipt of State funds. For FY 2007-08, Senior Centers received a \$200,000 increase in General Purpose funds on a non-recurring basis.

Senior Centers receive funding in "shares" – one share for Uncertified Centers (108 centers), two shares for Centers of Merit (8 centers), and three shares for Centers of Excellence (48 centers). The

State allocation distribution for the 2007-2008 FY is: \$5,467 for Uncertified Centers, \$10,936 for Centers of Merit, and \$16,404 for Centers of Excellence.

The Study Commission on Aging recognizes the importance of senior centers and supports enactment of [2007-SHz-23](#) to provide additional funding for the 2008-2009 fiscal year.

## **Recommendation 2: Additional HCCBG Funds**

The Study Commission on Aging recommends that the General Assembly appropriate an additional \$2,500,000, to the Department of Health and Human Services, for the 2008-2009 fiscal year, for the Home and Community Care Block Grant (HCCBG).

## **Background 2: Additional HCCBG Funds**

Increasing Home and Community Care Block Grant (HCCBG) Funds was the issue mentioned most frequently during the February 28, presentations to the Commission by organizations representing older adults, the second most frequently mentioned item at the public hearing in Wilson and one of the most frequently mentioned items at the Jamestown public hearing. Eight of the 21 organizations that spoke on February 28, supported increasing HCCBG Funds including the Governor's Advisory Council on Aging and the Senior Tar Heel Legislature.

In 2007, the Study Commission on Aging recommended the General Assembly appropriate an additional \$5,000,000 to the Department of Health and Human Services for the 2007-2008 fiscal year and \$5,000,000 for the 2008-2009 fiscal year for the Home and Community Care Block Grant (HCCBG). The Health and Human Services Conference Report for S.L. 2007-323 (HB 1473) contained \$536,000 in recurring funding for the 2007-2008 fiscal year and the 2008-2009 fiscal year.

The HCCBG, established by G.S.143B-181.1(a)(11), is the consolidation of several funding sources (i.e., the Older Americans Act, the Social Services Block Grant in support of respite care, portions of the State In-Home and Adult Day Care funds, and other relevant State appropriations). The HCCBG includes federal funds, State funds, local funds, and a consumer contribution component. It gives counties discretion, flexibility, and authority in determining services, service levels, and service providers, and streamlines and simplifies the administration of services.

With input from older adults, county commissioners approve an annual funding plan that defines the services to be provided, the funding levels for these services, and the community service agencies to provide the services. Counties can select from among 18 eligible services including: Adult Day Care, Adult Day Health Care, Care Management, Congregate Nutrition, Group Respite, Health Promotion and Disease Prevention, Health Screening, Home Delivered Meals, Housing and Home Improvement, Information and Assistance, In-Home Aide, Institutional Respite Care, Mental Health Counseling, Senior Center Operations, Senior Companion, Skilled Home (Health) Care, Transportation, and Volunteer Program Development. Counties decide which services to provide, however congregate nutrition and home-delivered meals are provided in almost every county under the HCCBG.

Any person age 60 and older is eligible for services under the HCCBG. Although, the HCCBG program places an emphasis on reaching those most in need of services. The Older Americans Act (OAA), a funding source in the HCCBG, gives priority to serving the "socially and economically needy" and focuses particular attention on the low income minority elderly and on older individuals residing in rural areas. Additionally, the OAA calls for reaching out to older individuals with severe disabilities, limited English-speaking ability, and Alzheimer's disease or related disorders and caregivers of these individuals.

The focus of the HCCBG is to support the frail elderly that are cared for at home; improve and maintain the physical and mental health of older adults; assist older adults and their caregivers with accessing services and information; provide relief to family caregivers so that they can continue their caregiving; and allow older adults to remain actively engaged with their communities.

The Study Commission on Aging recognizes the importance of the services provided through the Home and Community Care Block Grant and supports increased funding through enactment of [2007-SHz-24](#).

### **Recommendation 3: Funds for Project C.A.R.E.**

The Study Commission on Aging recommends that the General Assembly appropriate \$500,000, to the Department of Health and Human Services, Division of Aging and Adult Services, for the 2008-2009 fiscal year, to fund Project C.A.R.E. (Caregiver Alternatives to Running on Empty) which provides support to individuals with dementia and their caregivers.

### **Background 3: Support Project C.A.R.E.**

Providing funding for Project C.A.R.E. (Caregiver Alternatives to Running on Empty) was the most frequently mentioned item during the public hearing in Jamestown and the third most frequently mentioned item during the presentations to the Commission by organizations representing older adults. The Governor's Advisory Council and the Senior Tar Heel Legislature both mentioned this item as a legislative priority for their organizations.

In 2007, the Study Commission on Aging recommended that the General Assembly appropriate \$500,000 to the Department of Health and Human Services, Division of Aging and Adult Services, for the 2007-2008 fiscal year, and \$500,000 for the 2008-2009 fiscal year, to fund Project C.A.R.E. which provides support to individuals with dementia and their caregivers. In response to this recommendation, SB 165 and HB 96 were introduced during the 2007 Session and referred to Appropriation Committees, but did not receive further action.

A statistical abstract, "[2008 Alzheimer's Disease Facts & Figures](#)," of US data on Alzheimer's disease published by the Alzheimer's Association recently reported that it is anticipated that between 2000 and 2010, North Carolina will experience a 31% increase in the number of people age 65+ with Alzheimer's disease. According to the report, in 2007, there were 311,578 Alzheimer/dementia caregivers providing 268,953,971 hours of unpaid care per year with an economic value of \$2,845,533,016. The report notes that in 2005, Alzheimer's disease was the seventh-leading cause of death for people of all ages and the fifth-leading cause of death for people age 65 and over.

The Commission heard a presentation on Project C.A.R.E. during the meeting on February 28, 2008. The goal of Project C.A.R.E. is to increase quality, access, choice, and use of respite and support services to low-income rural and minority families caring for a person with dementia at home or within a hospital setting. The program is administered through the Division of Aging and Adult Services with assistance from the Duke Aging Center Family Support Program. A Project C.A.R.E. in-home visit: assesses the family care environment; identifies the needs and preferences of both the caregiver and the person with dementia; facilitates discussion and mutual understanding among family members; connects the family with community resources; and ensures the provision of quality respite care and support services.

Project C.A.R.E. began with the Alzheimer's Association, Western Chapter, in 2001. Funding thus far has been provided by the U.S. Administration on Aging's Alzheimer's Disease Demonstration Grants, leveraged through grants provided by private foundations, and supplemented by Family Caregiver Support Programs. Initially, the program served six (6) counties. There are currently

three (3) Project C.A.R.E. pilot sites set up to serve 14 counties: Charlotte (Mecklenburg County); Winston-Salem (Forsyth, Surry, and Stokes); and Asheville (Polk, Henderson, Transylvania, Rutherford, Madison, McDowell, Buncombe, Haywood, Jackson, and Swain). The program received national recognition as a model and best practice in 2004 and 2005. Grant funding is no longer an option for this particular program and State funding is needed to continue the program.

The total budget for the program is \$433,333, which includes a 25% local match. The federal funding portion of that total is \$325,000 and will end June 30, 2008. The Department of Health and Human Services, Division of Aging and Adult Services, needs \$500,000 to sustain Project C.A.R.E. activities in 14 western and piedmont counties. If \$500,000 is appropriated, there would be a 25% matching requirement in the amount of \$166,666, for total funds amounting to \$666,666. It is anticipated that the level of local interest and current activity in services in the 14-county area will yield sufficient funding to meet matching requirements. A possible advantage to this appropriation is that if the State funds the existing program infrastructure and service capacity, North Carolina may be eligible to receive grants to replicate Project C.A.R.E. in Eastern North Carolina, moving toward the ultimate goal of statewide expansion.

The Study Commission on Aging appreciates caregivers, recognizes the importance of respite, supports State funding for Project C.A.R.E., and therefore encourages enactment of [2007-SHz-25](#).

#### **Recommendation 4: Adult Protective Services Pilot Program**

The Study Commission on Aging recommends that the General Assembly appropriate \$1,497,087, to the Department of Health and Human Services, Division of Aging and Adult Services, for the 2008-2009 fiscal year, to enact the first year of a two-year pilot program to assess proposed changes to the adult protective services statutes and to report to the Study Commission on Aging on the evaluation of the pilot by March 1, 2010.

#### **Background 4: Adult Protective Services Pilot Program**

Support for Adult Protective Services/Enact and Fund the Adult Protective Services (APS) Clearinghouse Model Pilot was the fourth most frequently mentioned item during the organization presentations on February 28, and was among the most frequently mentioned items during the public hearings in Wilson and Jamestown.

In 2007, the Study Commission on Aging recommended that the General Assembly appropriate \$1,492,000 to the Department of Health and Human Services, Division of Aging and Adult Services, for the 2007-2008 fiscal year and \$1,930,000 for the 2008-2009 fiscal year to enact a pilot program to assess proposed changes to the adult protective services statutes and to report on the evaluation of the pilot by March 1, 2009. In response to this recommendation, HB 198 and SB 108 were introduced and referred to Appropriations Committees, but no further action was taken.

S.L. 2005-23 directed the Adult Protective Services (APS) Task Force to collaborate with stakeholders and others interested in improving APS and to report those findings to the Study Commission on Aging and the House Study Committee on Guardianship Laws. The APS Clearinghouse Model: NC's System of Protection, is the product of a collaborative effort among the Division of Aging and Adult Services, the NC Association of County Directors of Social Services, representatives from the Attorney General's office, stakeholders, and other interested parties. The goals of the APS Clearinghouse Model are to: increase North Carolina's ability to reach out to citizens to offer voluntary services; enable North Carolina to respond to high risk situations before harm occurs and provide the opportunity to assist older adults who are victimized, but not incapacitated; allow APS to intervene before the adult's health deteriorates to life-threatening

levels; and allow APS to provide information and services to a greater number of adults.

Exploring feasibility of the APS Clearinghouse Model requires implementation of a pilot. The pilot will require funding for staff in county departments of social services to carry out the pilot, and funding for three (3) staff positions in the Division of Aging and Adult Services (DAAS) to plan and conduct the pilot. The total budget for the APS Pilot in the 2008-2009 fiscal year is \$1,497,087, broken down as follows: \$1,212,805 for county staff (24.103 FTEs for 9-months), \$159,532 for DAAS staff (3.0 FTEs for 9-months), \$18,000 for public education, \$6,750 for essential services, and \$100,000 for evaluation of the pilot. An additional \$1,930,107 is needed for the 2009-2010 fiscal year which would be utilized for the following: \$1,617,308 for county staff, \$188,049 for DAAS staff, \$18,000 for public education, and \$6,750 for essential services, and \$100,000 for evaluation of the pilot.

The Study Commission on Aging realizes the vital importance of safeguarding our older adults and supports the enactment of [2007-SHz-26](#).

### **Recommendation 5: Statewide Aging Study**

The Study Commission on Aging recommends support for a comprehensive, five-year statewide study of the older adult population and the State's readiness to respond to the coming wave of older adults by recommending that the General Assembly take the following steps: establish an appointment process for a steering committee; appropriate \$175,000 to the Department of Health and Human Services, Division of Aging and Adult Services, for the establishment of two positions to support the work of the study; appropriate \$3,820,000 to the Division of Aging and Adult Services, for the 2008-2009 fiscal year, to fund the first year of the study; and direct the Department of Health and Human Services, Division of Aging and Adult Services, to make annual reports to the General Assembly on the status of the study.

### **Background 5: Statewide Aging Study**

S.L. 2007-355, Section 1, required several Divisions within the Department of Health and Human Services to study programs and services for older adults in Brunswick, Buncombe, Gaston, Henderson, Moore, and New Hanover Counties. These counties currently have, or are projected by 2030 to have, the largest numbers of individuals age 60+ when compared to individuals age 17 and younger.

Since growth projections for the age 60+ population are anticipated to increase overall in North Carolina, S.L. 2007-355, Section 2, required the Division of Aging and Adult Services to make a recommendation on a study to include all counties in North Carolina. The Division was required to evaluate similar studies conducted by other states and to make recommendations on the criteria that should be included and an appropriate funding level for a study to include all North Carolina counties. On January 24, 2008, the Division made a report to the Commission on a statewide study.

The report recommends the establishment of a steering committee to: oversee the design and implementation of a consumer needs assessment and an expectations assessment; oversee the design and implementation of a State and local awareness and preparedness assessment; identify the need for and to obtain additional studies to supplement the information needed for comprehensive planning; produce reports for the Governor and General Assembly to guide policy and program development based on the findings of the assessments and studies; and to identify action needed to ready North Carolina for its growing older adult population. The Committee would be appointed by the General Assembly and the Governor.

The report recommends two positions to support the steering committee: a Human Services Planner/Evaluator IV (pay grade 74), and an Administrative Assistant III (pay grade 67). The cost for these positions is \$175,000.

Use of a consumer survey is recommended in years one and four of the statewide study, for design, implementation, analysis, and reporting associated with conducting a survey of consumer needs, assets, and expectations. The anticipated cost is \$200,000 for the 2008-2009 fiscal year and \$175,000 for the 2011-2012 fiscal year. (It is anticipated that there would be some savings in survey design the second year.) The report recommends funds for design, implementation, analysis and reporting associated with conducting a survey of state and local governments at a cost of \$75,000 in the 2008-2009 fiscal year, 2010-2011 fiscal year, and 2012-2013 fiscal year. Additionally, the report recommends \$75,000 per year to secure the services of consultants to conduct special studies and otherwise support the work of the steering committee.

With regard to support for program services, the report recommends:

- \$1,470,000 per year to strengthen the capacity of Area Agencies on Aging (AAA) for support of regional and local planning (this includes restoring the \$270,000 in recurring AAA State support reduced in 2001, and adding a position at each AAA to facilitate regional and community planning for aging at a cost of \$1,200,000 million per year (which would total \$1.6 million with a 25% match participation rate)).
- Awarding \$20,000 to each county to aid the work of citizen-driven local aging leadership planning teams for a total cost of \$2,000,000 per year.

The Study Commission on Aging believes that it is necessary for the State to make preparations now to care for the anticipated increase in the older adult population and supports a statewide study of the State's readiness to respond through the enactment of [2007-SHz-29](#).

## **Recommendation 6: Adult Care Home Residents**

### **Recommendation 6a: Adult Care Home Admission Screening Process**

The Study Commission on Aging recommends that the General Assembly appropriate \$1,764,000, for the 2008-2009 fiscal year, to the Department of Health and Human Services, Division of Medical Assistance, to design, develop, and implement on a pilot basis, a screening process for mental health and developmental disability conditions as part of the adult care home admission process. The process shall duplicate the nursing facility admission process and shall consist of an automated screening tool and where indicated a face-to-face assessment by a mental health or developmental disabilities professional. The Division of Medical Assistance shall report on the design, development, and piloting of the screening process for mental health and developmental disability conditions as part of the adult care home admission process on or before October 15, 2008.

### **Recommendation 6b: Transitional Residential Treatment Program Pilot Sites**

The Study Commission on Aging recommends that the General Assembly appropriate \$567,084, for the 2008-2009 fiscal year, to the Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, to fund three (3) geographically diverse Transitional Residential Treatment Program pilot sites, which shall begin in January 2009.

### **Recommendation 6c: Care of Individuals with Mental Illness Training for Direct Care Workers in Adult Care Homes**

The Study Commission on Aging recommends that the General Assembly direct the Department of Health and Human Services, Division of Health Service Regulation, Division of Medical

Assistance, and Division of Mental Health, Developmental Disabilities, and Substance Abuse Services to work with adult care home providers to build on recent studies to determine the most appropriate and cost effective way to provide training on the care of individuals with mental illness to direct care workers in adult care homes by tailoring the training to resident assessment results and utilizing web-based formats as appropriate, and to provide an interim report to the Study Commission on Aging by November 1, 2008, and a final report by November 1, 2009.

#### **Recommendation 6d. Assessment and Service Plan Development for Adult Care Home Residents**

The Study Commission on Aging recommends that the General Assembly appropriate \$580,000, for the 2008-2009 fiscal year, to the Department of Health and Human Services, Division of Medical Assistance to support assessment and service plan development for adult care home residents and to provide an interim report by November 1, 2008, and a final report by November 1, 2009.

#### **Background 6: Adult Care Home Residents**

S.L. 2007-156 (SB 164) directed the Department of Health and Human Services to study rules and regulations regarding housing individuals with mental illness in the same facility vicinity as individuals without mental illness, and to recommend staff training requirements for direct care workers in adult care homes to provide appropriate care to residents with mental illness.

On March 28, 2008, the Commission heard a presentation of the report prepared in response to S.L. 2007-156. The report provides an overview of how eight (8) other states handle placement of mentally ill individuals in assisted living/adult care home facilities; information on the limited use of adult care home special care units for residents with mental health disorders; revisions to staffing rules; recommendations and cost figures on the screening, assessment, and the provision of services to mentally ill individuals in adult care homes; and proposed training recommendations and associated costs.

The report indicates the percentage of residents with mental illness as compared to the total number of residents. The report indicates that family care homes (facilities with six or fewer beds) had in the following years, the percentage of adults with mental illness: 2002 = 38.1%, 2003 = 52.7%, 2004 = 60%, 2005 = 44.4%, 2006 = 45.5%, and 2007 = 46.3%. Adult care homes (seven or greater beds) had in the following years, the percentage of adults with mental illness: 2002 = 18.2%, 2003 = 27.7%, 2004 = 30.8%, 2005 = 20.2%, 2006 = 20.2%, and 2007 = 19%.

The report provides a process to assess and provide care to meet the needs of adult care home residents, especially mentally ill residents. The key first step to providing care is to assess the type of care needed through the implementation of screening and assessment programs. Currently a physician designates the appropriate level of care for a potential resident using the FL-2 form. The Department has developed the Medicaid Uniform Screening Tool (MUST, Level I) which is anticipated to replace the FL-2 form in September 2008. If the MUST screening determines that additional mental health assessment is needed, the individual would be referred for the Pre-Admission Screening and Resident Review (PASARR), Level 2 Assessment. The PASARR Level 2 Assessment will determine whether the individual needs a specialized mental health service. According to the report, if a PASARR Level 2 assessment indicates that specialized mental health services are needed, the Division of Mental Health, Developmental Disabilities and Substance Abuse Services (DMH/DD/SAS) will be notified and service needs will be communicated to the Local Management Entity (LME). The LME will then contact the individual. The Department estimates the PASARR Level II costs for fiscal year 2008-2009 as \$1,764,000 and \$281,840 on a recurring basis.

The report outlines the need for \$580,000 to develop and automate a comprehensive assessment and care plan system for residents in adult care homes. This assessment, care planning, and training system is being developed through VieBridge, Inc. with funding from the North Carolina Association Long Term Care Facilities (NCALTCF). The NCALTCF and the Department of Health and Human Services, Divisions of Health Service Regulation and Medical Assistance, have worked in a collaborative arrangement on this system. The funding would be used to support the assessment and care planning system for adult care home residents and statewide implementation is anticipated January 1, 2009.

The report provides information on development of Transitional Residential Treatment Programs. This new type of 6-bed residential facility would provide 24-hour residential treatment and rehabilitation of adults who have a pattern of difficult behaviors related to mental illness which exceed the capabilities of traditional community residential settings. The Department would like to pilot three (3) sites at an annual cost of \$378,056/site and anticipates being able to utilize funds beginning in January 2009. This would require an appropriation of \$567,084 for FY 2008-2009 ( $\$378,056 \times 3 = \$1,134,168 / 2 = \$567,084$ .)

The report outlines three layers of training: Two (2) hours of Basic Orientation training for all facility staff; Twelve (12) hours of Specialized (Phase Two) Training for aides and direct supervisors of all facilities serving one or more persons with mental illness; and four (4) hours of Annual Training for aides and direct supervisors of all facilities serving one or more persons with mental illness. An annual cost of \$4,500,00 was provided for the training.

The report also suggests the following to take place after screening and assessment: \$334,000 for PASAAR Level II assessments to determine specialized mental health care needs and \$14,860,000 to develop capacity to care for adult care home residents needing mental health services.

After the April 10, 2008 meeting and approval of the Commission's initial recommendation on this topic, the Department of Health and Human Services decided to scale back implementation of the Medicaid Uniform Screening Tool (MUST), which was the basis for the recommendation to develop and implement PASARR, Level II screening prior to adult care home admission. Although MUST will not be ready for Statewide implementation, the Department anticipates that it will have a screening tool in place in by fall 2008, and that this initial screening tool will be able to identify those residents that will need a face-to-face mental health evaluation. Therefore, the Commission is recommending that the General Assembly appropriate \$1,764,000 for FY 08-09 to the Department of Health and Human Services, Division of Medical Assistance, to design, develop, and implement on a pilot basis, a screening process, for mental health and developmental disability conditions as part of the adult care home admission process. It is anticipated that the process will duplicate the nursing facility admission process and will consist of an automated screening tool and where indicated a follow-up face-to-face assessment by a Mental Health or Developmental Disabilities professional.

In its report to the Commission, the Department provided that after a mental health assessment is completed, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH/DD/SAS) staff would make the final determination about whether the individual needed specialized mental health screening, contact the LME to arrange for services, and follow-up to be sure services are provided. The report requested \$334,000 for five additional positions to provide this function. For the pilot implementation of the mental health evaluation contained in this recommendation, it is anticipated that DMH/DD/SAS will absorb this function.

This revised recommendation also requires the Division of Medical Assistance, Division of Health Service Regulation, and DMH/DD/SAS to report on the design, development, and piloting of the screening process for mental health and developmental disability conditions as part of the adult care

home admission process in an interim report by October 15, 2008, with a final report due October 15, 2009. The Division's report must contain findings and recommendations to include: results on how many individuals were received initial screening prior to admission, how many needed an additional mental health evaluation, and how many of those screened were admitted to an adult care home; a process chart of the screening for adult care home admissions, who performs the screening, and turnaround times for each step in the process; whether there are delays due to pre-admission screening and how these are handled; whether the process should be expanded to all adult care home admissions on a Statewide basis; whether statutory or policy changes are needed for Statewide implementation; and costs associated with Statewide implementation.

In an effort to begin to address the issue of mixed populations in adult care homes, the Study Commission on Aging supports enactment of [2007-SHz-31](#).

### **Recommendation 7: Support for a Reward System for Adult Care Homes with High Ratings**

The Study Commission on Aging expresses support for the creation of a reward system for adult care homes that achieve high ratings and at the appropriate time, the Commission anticipates supporting the concepts outlined in the Department's report on S.L. 2007-544, Section 3(d).

### **Background 7: Support for a Reward System for Adult Care Homes with High Ratings**

In response to recommendations from the Study Commission on Aging, S.L. 2007-544 was enacted and Section 3 contained provisions related to a rating system for adult care homes. Section 3(d) required the Department of Health and Human Services to study the structure and cost of a system to reward adult care homes that receive high ratings and to report findings and recommendations to the Study Commission on Aging no later than March 1, 2008.

On March 28, 2008, the Commission heard the report on the structure and cost of a system to reward adult care homes receiving high ratings. The report recommended a system modeled after the grant program for nursing homes that is funded on civil monetary penalties. According to the report, the program for nursing homes, which was started in 1996, has been a highly successful, cooperative effort among regulators, providers, advocates, and others to make facilities better places for residents to live and better places for employees to work. Under North Carolina law, fines collected from adult care homes are transferred to local education agencies and therefore, the General Assembly would have to appropriate funds for the reward system for adult care homes.

The report recommends that an adult care homes that achieves a 4 Star Rating (100 points or higher on two consecutive annual surveys by the Division of Health Service Regulation) would receive a high rating and therefore eligible for the reward. The Star Rating System is effective January 2009, thus January 2010 would be the first time facilities might be eligible for rewards, assuming a score of 100 points during the 2009 cycle and during the 2010 cycle. The Department also requested an administrative officer position at a cost of \$50,000, to coordinate and administer the grants in response to decisions made by a Grant Committee, which consists of adult care home stakeholders including provider representatives, advocates, Division of Health Service Regulation staff, and others. As such, the estimated costs for this reward system are \$300,000 for FY 2009-2010 (\$250,000 for rewards and \$50,000 for the position) and \$550,000 for the 2010-2011 fiscal year.

The Study Commission on Aging supports rewarding adult care homes with high ratings.

### **Recommendation 8: Support for Respite Care**

The Study Commission on Aging recommends that the General Assembly direct the Department of Health and Human Services, Division of Aging and Adult Services, to study the adequacy of

service standards and funding for group respite services, and whether opportunities exist to streamline and enhance the provision of respite services; direct the Division of Medical Assistance, Department of Health and Human Services, to study the feasibility of providing respite care as a State Plan Service, and provide a report on both issues to the Commission on Aging by November 1, 2009.

### **Background 8: Support for Respite Care**

S.L. 2007-39 directed the Department of Health and Human Services to study the availability and delivery of respite care. On March 28, 2008, the Commission heard a presentation on the Department's report. The Department reported that there is a need for respite care and that the provision of respite care is important for the State from an economic perspective. The report provided an overview of the various respite programs available in North Carolina as well as information on programs in other states. One of the issues noted was the fragmentation of services both in North Carolina and other states. The fragmentation is due to varying eligibility criteria, target client populations, regulatory requirements, programs, and funding streams. The report suggested that, "While the fragmentation makes respite care more difficult to administer, it does provide for the needs of a diverse population." Four model programs for respite care are defined in the report: Project C.A.R.E, Jackson County Family Resource Center, A Small Miracle, Inc. and Senior Companion Respite Program.

The report indicated that the study group did not see a need for separate statutory language for respite care, but believed that consistent state funding was needed under the existing systems. The study group agreed that respite care delivery could be enhanced if Medicaid included respite as a State Plan Service. The report stated that, a respite service, defined as an Optional Medicaid State Plan Service, should be offered to all who qualify, regardless of where the recipient lives or the recipient's diagnosis, and should be based on needs. Further, the report suggested the State may limit the definition, duration, and scope, and that an assessment of caregiver capability was integral to the process. The report indicated that the Division of Medical Assistance would pursue an internal review of this option. Additionally, the report supported study by the Division of Aging and Adult Services, Department of Health and Human Services, on the place of group respite programs in the long-term care continuum and the adequacy of service standards and funding.

The Commission supports caregivers and the provision of respite services and therefore recommends the enactment of [2007-SQz-11](#) to require the Department of Health and Human Services continue to study ways to make respite care more accessible.

### **Recommendation 9: Study Older Adult Hearing Loss**

The Study Commission on Aging recommends that the General Assembly direct the Department of Health and Human Services to study the current and anticipated impact of hearing loss on North Carolina's older adult population and the availability and access to qualified professionals for treatment and hearing aid purchase assistance for low income individuals; to develop an inventory of the technology available to assist individuals; and to evaluate resources and programs available in other states, with a report to the Study Commission on Aging by November 1, 2008.

### **Background 9: Study Older Adult Hearing Loss**

On April 10, 2008, the Commission heard a presentation from the Department of Health and Human Services on hearing loss for older adults. Based on NC demographic information, the Department of Health and Human Services, Division of Services for the Deaf and the Hard of Hearing, estimated "the current hearing loss population among senior adults to be 166,420 for ages 65-74 with a projected increase in 2030 to 342,897. For senior adults ages 75 and up, current

numbers indicate 207,483 persons with hearing loss and a projected increase to 438,801 for the year 2030." Although hearing loss occurs at all ages, the Department shared that the National Institute on Deafness and Other Communication Disorders (NIDCD) reports that one (1) out of every three persons by age 65 has some form of hearing loss. The Department's report highlighted a lack of readily-available and accurate information on the impact, treatment, and adaptive technology options for individuals with hearing loss. The lack of information is compounded by the often gradual loss of hearing.

The Department pointed out the following issues faced by older adults with hearing loss:

- "Hearing Aids and Limited Insurance Coverage- One of the first challenges that the hard of hearing person faces is the cost of hearing aids. These devices can often cost several thousand dollars and are rarely covered by any insurance. Generally neither Medicare nor NC Medicaid offer hearing aid coverage for adults. North Carolina along with bordering states of Virginia, Kentucky, South Carolina, Georgia, and Tennessee are in the list of 16 states that do not provide this coverage. In addition, there is virtually no insurance coverage for hearing aids in North Carolina.
- Many people report difficulty finding a trustworthy professional to assist them with hearing aids. The lack of a 30-day mandated trial period for hearing aids in North Carolina, one of 14 states without such a policy, instills in some individuals this lower level of trust toward the hearing health care professional.
- A myriad of emotional responses resulting from difficulties in communicating often lead to increased mental health concerns for senior adults. Better Hearing Institute reports that hearing loss, particularly in older individuals not using hearing aid or assistive devices, has been directly linked to short-term memory loss, fatigue, anxiety and depression.
- Among senior adults, hearing loss is one of the most prevalent and chronic, but treatable, disabling condition[s]. Hearing loss is ranked third, only behind arthritis and hypertension. Hearing loss has also been linked to lower incomes—on average, those with hearing loss but do not wear hearing aids earn up to \$12,000 per year less than peers using hearing aids."

The Study Commission on Aging recognizes the challenges that hearing loss presents and recommends the enactment of [2007-SQz-12](#) to require the Department of Health and Human Services study this issue and explore ways to provide assistance to individuals with hearing loss.

### **Recommendation 10: Criminal Background Checks for Nursing Home Administrators**

The Study Commission on Aging recommends that the General Assembly enact legislation to give the North Carolina Board of Nursing Home Administrators the authority to require a criminal history record check for nursing home administrator license applicants.

### **Background 10: Criminal Background Checks for Nursing Home Administrators**

G.S. 131E-265 provides that an offer of employment by a nursing home to an applicant to fill a position that does not require the applicant to have an occupational license is conditioned on consent to a criminal history record check of the applicant.

G.S. 90-278 gives the NC State Board of Examiners for Nursing Home Administrators the authority to issue licenses to qualified persons as nursing home administrators. Therefore, a criminal record background check is not required for nursing home administrators because they have an occupational license.

On April 10, 2008, the Commission heard a presentation on this issue by the North Carolina State

Board of Examiners for Nursing Home Administrators who requested the ability to perform criminal history record checks for nursing home administrator license applicants.

The Study Commission on Aging believes that it is imperative to provide safe and secure environments in the State's long-term care facilities and supports allowing the North Carolina State Board of Examiners for Nursing Home Administrators to require criminal history record checks for nursing home administrator applicants through the enactment of [2007-RDz-26](#).

### **Recommendation 11: Support Guardianship Study Recommendations**

The Study Commission on Aging recommends that the General Assembly enact legislation to authorize the Division of Motor Vehicles to consider recommendations from the clerk of court in determining drivers license revocation of an incompetent individual, and to raise the ceiling on the amount of personal property a guardian is allowed to sell without court order, which are both based on recommendations from the House Study Committee on State Guardianship Laws to the 2007 General Assembly.

### **Background 11: Support Guardianship Study Recommendations**

The House Study Committee on State Guardianship Laws was established by the Speaker of the House on February 17, 2006. The Committee was directed to submit a final report on the results of its study on or before December 31, 2006.

In the final report, Finding 6 indicates that the Committee found that guardians currently have the authority to sell up to \$1,500 worth of personal property without a court order in order to meet the monetary needs of the ward. The Committee further found that the amount of a ward's personal property that guardians are allowed to sell is outdated and insufficient. As a result, the House Study Committee on State Guardianship recommended that the total amount of personal property that can be sold without a court order be increased to \$15,000. In response to this recommendation, House Bill 794 was introduced. A Committee Substitute for House Bill 794 received a favorable report in the House Committee on Aging and was referred to House Judiciary II. It was not heard in House Judiciary II and House Bill 794 is not eligible for consideration during the 2008 Session.

In the final report, Finding 7 indicates that the Committee on State Guardianship Laws found it unnecessary for the Division of Motor Vehicles to automatically revoke the drivers license of an individual who has been declared incompetent. The Committee recommended that the Division of Motor Vehicles be authorized to not automatically revoke the drivers license of an incompetent if the clerk of superior court recommends the incompetent be allowed to retain the drivers license. In response to this recommendation, House Bill 796 was introduced. House Bill 796 received a favorable report in the House Committee on Aging and was referred to House Judiciary II. It was not heard in House Judiciary II and House Bill 796 is not eligible for consideration during the 2008 Session.

On April 10, the Commission heard a presentation on guardianship and on the issues surrounding an increase in the amount of a ward's personal property that a guardian can sell, and on the automatic revocation of the driver license of an incompetent.

The Study Commission on Aging supports the work of the House Study Committee on State Guardianship Laws and recommends the enactment of [2007-SHz-27](#) to address drivers license revocation of an incompetent individual, and enactment of [2007-SHz-28](#) to raise the ceiling on the amount of personal property a guardian is allowed to sell without court order.

## **Recommendation 12: Study Safe Transport of Passengers in Wheelchairs**

The Study Commission on Aging recommends that the General Assembly enact House Bill 93, Transport of Individuals in Wheelchairs Study, as it directs the Department of Transportation to study appropriate methods of transporting passengers seated in wheelchairs, to develop guidelines for the installation and use of wheelchair tie-down systems, and to report findings and recommendations to the Study Commission on Aging and the Joint Legislative Transportation Oversight Committee. (House Bill 93 is currently in the Senate Committee on Transportation and was a recommendation to the 2007 General Assembly from the Study Commission on Aging.)

## **Background 12: Study Safe Transport of Passengers in Wheelchairs**

The Study Commission on Aging recommended that the 2007 General Assembly direct the Department of Transportation to study appropriate methods of transporting passengers seated in wheelchairs, to develop guidelines for the installation and use of wheelchair tiedown systems, and to report findings and recommendations to the Study Commission on Aging and the Joint Legislative Transportation Oversight Committee. House Bill 93 and Senate Bill 57 were introduced. House Bill 93 was referred to the Senate Committee on Transportation on March 13, 2007 and is still eligible for consideration during the 2008 Session.

This recommendation to the 2007 Session was based on a wheelchair transportation safety restraints presentation made to the Commission on November 15, 2006. During the presentation, the Commission learned that transportation of passengers seated in wheelchairs within motor vehicles is a relatively new experience and that while certified passenger restraint systems are mandated for adults and children seated in vans, there is no law regulating restraint systems for persons seated in wheelchairs. The presentation pointed out that the majority of incidents involving persons transported in wheelchairs occur during ordinary driving maneuvers without a collision. Statistical tabulations often omit these events since police are rarely summoned and the injured are driven for medical care by the vehicle operator. However, the Division of Facility Services tabulates incident reports filed by nursing homes which yields the following insights: problems occur despite well-intentioned efforts to secure the chairs and apply restraints; van operators lack knowledge that wheelchairs must be specifically designed for use in vehicles, restraint systems must be properly attached to the chair, and restraint systems must be properly applied to the passenger seated in the chair; and finally, the situation resembles that of child safety restraints.

The report distributed to the Commission included letters from the following entities expressing support for exploring the safe transport of individuals in wheelchairs: The University of North Carolina Highway Safety Research Center, NC Health Care Facilities Association, AARP of North Carolina, NC Coalition on Aging, the Governor's Advisory Council on Aging, and the Senior Tar Heel Legislature.

The presentation offered the following solutions from research by the University of Michigan Traffic Research Institute:

- 1) Whenever possible, transfer the rider to a seat and use the seatbelt.
- 2) If transfer to a seat is not possible, use a wheelchair and tiedown system that protects the occupant.
  - a. Use a Transit Wheelchair (WC/19 compliant) with securement points for tiedown straps, arm rests that permit the lap belt to cross the pelvis and a shoulder strap to cross the chest.
  - b. Secure the wheelchair to the vehicle with four tiedown straps.

Apply both lap and shoulder belts to the rider. The seatbelt must fit snugly cross the pelvis and be anchored at a 45 degree angle on each side. The shoulder strap must be

in contact with the middle of the chest and shoulder and it must avoid contact with the neck.

The Study Commission on Aging continues to support [House Bill 93](#), a recommendation to the 2007 Session of the General Assembly, which requires a study of appropriate methods of transporting passengers seated in wheelchairs.

### **Recommendation 13: Study Medically Needy Income Standard**

The Study Commission on Aging recommends that the General Assembly enact House Bill 92, Medicaid Income Limits Level Study, as it requires the Department of Health and Human Services, Division of Medical Assistance, to study the medically needy income standard and determine the best method of increasing the standard while providing improved consistency across long-term care settings and report to the Study Commission on Aging. (House Bill 92 is currently in Senate Appropriations and was a recommendation to the 2007 General Assembly from the Study Commission on Aging.)

### **Background 13: Study Medically Needy Income Standard**

The Study Commission on Aging recommended that the 2007 General Assembly direct the Department of Health and Human Services to review options for increasing Medicaid Medically Needy Income Limits. House Bill 92 and Senate Bill 110 were introduced. House Bill 92 was referred to the Senate Committee on Appropriations on March 14, 2007 and is still eligible for consideration during the 2008 Session.

This recommendation to the 2007 Session was based on presentations to the Commission on the Medicaid Institutional Bias Study. The study was mandated by Section 10.3 of S.L. 2004-124 for the purpose of identifying any bias that favors support for individuals in institutional settings over support for individuals living at home.

In response to a Commission recommendation, S.L. 2006-110 was enacted and required the Department of Health and Human Services to collaborate with providers and advocates of home and community-based long-term care services to review the Institutional Bias Report and make recommendations on ways to address the identified biases. On December 13, 2006, the Commission heard a presentation on recommendations to address two of the biases. One of the identified biases stated that medically needy requirements leave little money for persons to pay for living expenses if they prefer to remain in the community, while institutions provide room and board. It was recommended that the medically needy income standard be increased from the current monthly standard of \$242 to a level at least comparable to the national average Supplemental Security Income (SSI). The Department reported that there was consensus among stakeholders that while this is an important goal for NC, it should not be at the expense of adequate funding for the existing service system. It was recommended that stakeholder concern about financial feasibility could be addressed by studying whether Medicaid can cover some, rather than all, services and the consideration of a phased adjustment of the standard over time.

On February 9, 2006, in response to a request, the Commission received a memo from the Division of Medical Assistance indicating the medically needy income limits by state in 2002. This information indicated that NC had the seventh lowest rate and that the average rate was \$416.

The Study Commission on Aging continues to support [House Bill 92](#), a recommendation to the 2007 Session of the General Assembly, which requires a study of the medically needy income standard to determine the best method of increasing the standard while providing improved consistency across long-term care settings.

## **Recommendation 14: Long Term Care Insurance Tax Credit**

The Study Commission on Aging recommends that the General Assembly increase the Long-Term Care Insurance Tax Credit to 75% of the premiums paid by the purchaser up to a maximum of \$1000.

### **Background 14: Long Term Care Insurance Tax Credit**

In 1997, the North Carolina Study Commission on Aging recommended that the 1997 General Assembly enact a 15% tax credit, up to a maximum of \$350, on the premiums paid by the purchaser of long-term care insurance policies. According to the 1997 Commission report, the Office of State Budget and Management estimated that a 15% tax credit up to a maximum of \$350 may result in a revenue loss of \$17 million. The report further stated that, the average premium was \$1,600, thus a 15% credit would be equal to \$240. The report acknowledged that it was difficult to estimate the offsetting benefits of the tax credit in terms of reduced Medicaid payments, but that the cost of a year's stay in a North Carolina nursing home was \$40,000. The Commission recommended this tax credit again in 1998, and the credit became G.S. 105-151.28.

The tax credit was effective for taxable years beginning on or after January 1, 1999, and expired for taxable years beginning on or after January 1, 2004.

In 2003 and 2004, the Commission recommended repealing the sunset. The Commission's report to the 2005 General Assembly, the North Carolina Study Commission on Aging recommended that the General Assembly re-enact the Long-Term Care Insurance Tax Credit.

In 2007, S.L. 2007-273 reinstated the tax credit in an amount of 15% of the premium paid each year on a long-term care insurance policy with the stipulation that the credit could not exceed \$350 for each policy for which the credit is claimed. The credit amount is the same as originally enacted in 1998.

The current credit differs from the former credit in that, to be eligible to claim it, a taxpayer's adjusted gross income must not exceed the following: Married filing jointly \$100,000; Head of Household 80,000; Single 60,000; Married filing separately 50,000. The current credit is effective for taxable years beginning on or after January 1, 2007, and expires for taxable years beginning on or after January 1, 2013.

The tax credit will currently sunset on January 1, 2013.

The North Carolina Study Commission on Aging has supported the long-term care insurance tax credit since its inception recommends that the General Assembly enact [2007-SQfz-14](#) which increases the long-term care insurance tax credit.

## **Recommendation 15: Establish MAHS Registration Fee/Penalty for Failing to Register**

The Study Commission on Aging recommends that the General Assembly enact legislation to require facilities meeting the definition of multiunit assisted housing with services (MAHS) register annually with the Division of Health Services Regulation, authorize the Division to charge a fee of up to \$350 per registration, and make it a Class 3 misdemeanor punishable only by fine for failing to register.

### **Background 15: Establish MAHS Registration Fee/Penalty for Failing to Register**

Effective July 1, 1996, Session Law 1995-535 established a third type assisted living residence termed multiunit assisted housing with services (MAHS). G.S. 131D-2(a)(7a) defines multiunit assisted housing with services as an assisted living residence in which hands-on personal care

services and nursing services are arranged by housing management and are provided by a licensed home care or hospice agency, through an individualized written care plan. The housing management has a financial interest or financial affiliation or formal written agreement which makes personal care services accessible and available through at least one licensed home care or hospice agency. The resident has a choice of any provider, and the housing management may not combine charges for housing and personal care services. All residents, or their compensatory agents, must be capable, through informed consent, of entering into a contract and must not need 24-hour supervision. Assistance with self-administration of medications may be provided by appropriately trained staff when delegated by a licensed nurse according to the home care agency's established plan of care. MAHS programs are required to register with the Division of Health Service Regulation and to provide a disclosure statement. The disclosure statement is required to be part of the annual rental contract that includes a description requirements further specified in the law. MAHS programs are regulated by North Carolina Building Codes for senior apartment construction, Medicaid, Medicare, and licensure of Home Care agencies by the Division of Health Services Regulation. These facilities do not have to complete the Certificate of Need process.

Session Law 2000-67, Section 11.11, directed the North Carolina Study Commission on Aging to study the following in regard to MAHS: (1) What strategies may be employed at the State and local level to ensure registration of MAHS facilities with the Department of Health and Human Services, as required under G.S. 131D-2(a)(7a); (2) Whether persons requesting access to MAHS facilities should be included in the assessment process that is part of the uniform portal of entry system; and (3) Whether an advocacy and oversight system for MAHS facilities should be developed that is comparable to the advocacy and oversight system in place for adult care homes. In response to the above requirement, on August 8, 2000, the Commission heard the following presentations: an overview of the differences between assisted living and MAHS; the regulatory structure; independent housing; housing for the elderly, and assisted living. Minutes from the meeting indicate that the Director of the Division of Facility Services at that time indicated that there were 12 MAHS facilities currently registered. Minutes indicated that Members wanted to know if the Division finds a facility in operation that has not been registered are there any fines. The Division of Facility Services Director stated that there is nothing the Division can do because there are no fines for not registering. The Director suggested this might be something the Commission could discuss in the future as possible legislation. The Study Commission on Aging's Report to the Governor and the 2001 Session of the 2001 General Assembly indicates that the Commission once again addressed MAHS on November 21, 2000. The following excerpt is from the Commission proceedings from November 21, 1000.

"As a follow-up to the August 8, 2000 discussion, the Commission discussed Multiunit Assisted Housing with Services (MAHS). The Commission was directed by S.L. 2000-67 (HB 1840), Section 11.11 to study this issue. Following much discussion, the Commission determined that this is an evolving issue and clear direction for the 2001 General Assembly is not readily apparent. Thus, the north Carolina Study commission on Aging voted to make no recommendation to the 2001 General Assembly concerning the current statutory framework for the Multiunit Assisted Housing with Services. The Commission also voted to continue to monitor the development and the need for any statutory changes for Multiunit Assisted Housing with Services."

On February 28, 2008, during the presentations by organizations that represent older adults, the Commission heard concerns that there was limited oversight to the required registration and that enforcement measures were currently inadequate to determine an accurate count of multiunit assisted housing operating in the State.

The Study Commission on Aging recommends that the General Assembly enacts [2007-SQfz-15](#).

## **Recommendation 16: Special Assistance Income Disregard Study**

The Study Commission on Aging recommends the Department of Health and Human Services, Division of Aging and Adult Services, and Division of Medical Assistance, study whether North Carolina can implement an income disregard policy for current Special Assistance and Medicaid recipients who are adversely impacted due to cost of living or other income increases.

### **Background 16: Special Assistance Income Disregard Study**

State/County Special Assistance (SA) is a Supplemental Security Income (SSI) state supplement that pays cash benefits to eligible recipients residing in licensed facilities that are authorized to receive SA payments. State/County Special Assistance is 50% county dollars and 50% State dollars.

State/County Special Assistance recipients that live in an adult care home are automatically eligible for Medicaid. Medicaid provides coverage for personal care services and other services provided by Medicaid.

Department of Social Services caseworkers work with individuals to determine eligibility. According to the Department of Health and Human Services, Special Assistance/Adult Care Home (SA/ACH) is available to otherwise eligible applicants with a monthly income of \$1,218.50 or less and who have savings and assets worth less than \$2,000. Countable income includes wages, Social Security and SSI, retirement income and Veteran's Administration income. Assets that are considered include: property, cash, savings, checking accounts, stocks, bonds, annuities, some IRAs, and the cash value of life insurance policies.

Special Assistance payments are tied to the maximum rate adult care homes can charge SA recipients for room and board. Effective October 1, 2007, the maximum rate set by the General Assembly is \$1,173.

The SA rate for an individual is determined by taking the maximum adult care home rate, adding a personal needs allowance of \$46 dollars to allow for clothes and other essentials each month, and subtracting out net countable monthly income. The resulting amount is payment to the adult care home for room and board.

On occasion, individuals receive cost of living increases to their source of income and may no longer be eligible for SA, even though they could be only slightly above the threshold.

Because SA/ACH recipients are automatically eligible for Medicaid, North Carolina must explore implications of such a policy change with the Centers for Medicare & Medicaid Services, through the Division of Medical Assistance, and with the Social Security Administration. The Commission recommends the General Assembly enact [2007-SHz-30](#).

# APPENDICES

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# APPENDIX A

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# ***2007 Recommendation Status Report***

North Carolina Study Commission on Aging  
Recommendations  
to the  
2007 Regular Session



***Prepared by Staff for the  
North Carolina Study Commission on Aging***

***January 24, 2008***

## ***2007 RECOMMENDATION STATUS REPORT***

RECOMMENDATION	RESULT
<p><b><u>Recommendation 1: Support for Senior Centers</u></b></p> <p>The Study Commission on Aging recommends that the General Assembly appropriate an additional \$500,000 for FY 07-08 and \$500,000 for FY 08-09 to the Senior Center General Purpose fund to provide additional support for Senior Centers.</p>	<p>In response to this recommendation, HB 195 and SB 53 were introduced and both were referred to House and Senate Appropriations Committees.</p> <ul style="list-style-type: none"> <li>• The Health and Human Services Conference Report for S.L. 2007-323 (HB 1473), contains \$200,000 in non-recurring funding for FY 07-08 for the Senior Center General Purpose Fund.</li> </ul>
<p><b><u>Recommendation 2: Expand Dental Care for Special Care Populations</u></b></p> <p>The Study Commission on Aging recommends that the General Assembly appropriate \$200,000 for FY 07-08 to the Department of Health and Human Services, Division of Public Health, to purchase an additional mobile dental unit for a new or existing non-profit mobile dental care provider to serve special care populations in geographic areas of the State that are not currently served by mobile dental units. The Department shall report to the Commission on the status of this project by September 1, 2008.</p> <p>The Study Commission on Aging recommends that the General Assembly require the Board of Governors of The University of North Carolina to study the feasibility of requiring one or more of the Board of Governors' Dental Scholarship-Loan Program slots be dedicated to individuals who will predominately serve special care populations, primarily disabled individuals and the elderly, and to report findings and recommendations to the Commission by January 15, 2008.</p>	<p>In response to this recommendation, HB 201 and SB 52 were introduced.</p> <ul style="list-style-type: none"> <li>• A Committee Substitute for HB 201 received a favorable report in House Aging and was referred to Appropriations. SB 52 was referred to Senate Appropriations. The Health and Human Services Conference Report for S.L. 2007-323 (HB 1473), provides \$200,000 in non-recurring funding for FY 07-08 for a mobile dental provider to deliver services to the frail elderly and persons with disabilities in unserved areas.</li> <li>• S.L. 2007-323, Section 9.5, enacts G.S. 116-40.10 Board of Governors' Dental Scholarship Loan Program. The program provides a four-year scholarship loan of relevant tuition and fees, mandatory medical insurance, required laptop computers to any first-year students, required dental equipment, and an annual stipend of \$5,000 per year to any student who has been accepted for admission to the School of Dentistry at the University of North Carolina at Chapel Hill. The Board of Governors adopts the standards for awarding the scholarship loans. The recommendation by the Commission on Aging is not included in this provision.</li> </ul>

RECOMMENDATION	RESULT
<p><b><u>Recommendation 3: Expand Health Care Personnel Registry/Funds</u></b></p> <p>The Study Commission on Aging recommends that the General Assembly expand the Health Care Personnel Registry to include any unlicensed staff of a health care facility that has direct access to residents, clients, or their property, and appropriate an additional \$1,700,000 for FY 07-08 and \$1,700,000 for FY 08-09 to add staff and improve upon existing allegation response times.</p>	<p>In response to this recommendation, HB 95 and SB 109 were introduced.</p> <ul style="list-style-type: none"> <li>• The statutory changes included in these bills is contained in Section 2 of S.L. 2007-544 (SB 56).</li> <li>• The Health and Human Services Conference Report for S.L. 2007-323 (HB 1473) contains \$583,000 in recurring funding and \$40,274 in non-recurring funding for FY 07-08. For FY 08-09, \$803,000 in recurring funding and \$2,750 in non-recurring funding is provided.</li> </ul>
<p><b><u>Recommendation 4: Support Project C.A.R.E.</u></b></p> <p>The Study Commission on Aging recommends that the General Assembly appropriate \$500,000 to the Department of Health and Human Services, Division of Aging and Adult Services, for FY 07-08, and \$500,000 for FY 08-09, to fund Project C.A.R.E. which provides support to individuals with dementia and their caregivers.</p>	<p>In response to this recommendation, SB 165 and HB 96 were introduced and referred to Appropriation Committees.</p>
<p><b><u>Recommendation 5: Additional HCCBG Funds</u></b></p> <p>The Study Commission on Aging recommends that the General Assembly appropriate an additional \$5,000,000 to the Department of Health and Human Services for FY 07-08 and \$5,000,000 for FY 08-09 for the Home and Community Care Block Grant (HCCBG).</p>	<p>In response to this recommendation HB 98 and SB 59 were introduced and referred to Appropriations Committees.</p> <ul style="list-style-type: none"> <li>• The Health and Human Services Conference Report for S.L. 2007-323 (HB 1473) contains \$536,000 in recurring funding for FY 07-08 and FY 08-09.</li> </ul>
<p><b><u>Recommendation 6: Amend the Penalty Review Committee Statutes</u></b></p> <p>The Study Commission on Aging recommends that the General Assembly enact legislation to change the Penalty Review Committee process.</p>	<p>In response to this recommendation HB 94 and SB 56 were introduced.</p> <ul style="list-style-type: none"> <li>• S.L. 2007-544 (SB 56) was enacted and Section 1 contains the changes to the penalty review committee process.</li> </ul>
<p><b><u>Recommendation 7: Study Safe Transportation of Passengers in Wheelchairs</u></b></p> <p>The Study Commission on Aging recommends that the General Assembly direct the Department of Transportation to study appropriate methods of transporting passengers seated in wheelchairs, to develop guidelines for the installation and use of wheelchair tiedown systems, and to report findings and recommendations to the Study Commission on Aging and the Joint Legislative Transportation Oversight Committee by February 1, 2008.</p>	<p>In response to this recommendation, HB 93 and SB 57 were introduced.</p> <ul style="list-style-type: none"> <li>• HB 93 received a favorable report in House Aging, passed 2<sup>nd</sup> and 3<sup>rd</sup> reading in the House and crossed over to the Senate where it was referred to the Senate Committee on Transportation.</li> <li>• SB 57 was referred to the Senate Committee on Transportation.</li> </ul>

RECOMMENDATION	RESULT
<p><b><u>Recommendation 8: Adult Protective Services Pilot Program</u></b></p> <p>The Study Commission on Aging recommends that the General Assembly appropriate \$1,492,000 to the Department of Health and Human Services, Division of Aging and Adult Services, for FY 07-08 and \$1,930,000 for FY 08-09 to enact a pilot program to assess proposed changes to the adult protective services statutes and to report on the evaluation of the pilot by March 1, 2009.</p>	<p>In response to this recommendation, HB 198 and SB 108 were introduced and referred to Appropriations Committees.</p>
<p><b><u>Recommendation 9: Study Medically Needy Income Standard</u></b></p> <p>The Study Commission on Aging recommends that the General Assembly enact legislation to require the Department of Health and Human Services, Division of Medical Assistance, to study the medically needy income standard and determine the best method of increasing the standard while providing improved consistency across long-term care settings and report to the Study Commission on Aging by September 1, 2008.</p>	<p>In response to this recommendation, HB 92 and SB 110 were introduced and referred to Appropriations Committees.</p> <ul style="list-style-type: none"> <li>• HB 92 received a favorable report in House Aging Committee, passed 2<sup>nd</sup> and 3<sup>rd</sup> reading in the House, and was referred to the Appropriations Committee in the Senate.</li> <li>• SB 110 received a favorable report in Senate Health and was referred to the Appropriations Committee.</li> </ul>
<p><b><u>Recommendation 10: Support for NC Rx</u></b></p> <p>The Study Commission on Aging supports the NC Rx program, funded through the Health and Wellness Trust Fund, which assists seniors having difficulty paying for prescription drugs, and expresses gratitude for the SHIP program and the many volunteer organizations that provide information to citizens enrolling in Medicare prescription drug programs.</p>	<p>No bills were introduced in response to this recommendation.</p> <ul style="list-style-type: none"> <li>• The Health and Human Services Conference Report for S.L. 2007-323 (HB 1473) contains \$250,000 in non-recurring funding for FY 07-08 to provide grants-in-aid to community organizations to assist seniors in enrolling in NC Rx and Medicare Part D.</li> </ul>

RECOMMENDATION	RESULT
<p><b><u>Recommendation 11: Funds for Mentally Ill Housing Options</u></b></p> <p>In response to the Commission on Aging and Mental Health Oversight Subcommittee report, the Study Commission on Aging recommends that the General Assembly appropriate to the Department of Health and Human Services and the Housing Finance Agency, \$1,506,600 for FY 07-08, to provide rental assistance for at least 250 units, and \$3,013,200 for FY 08-09, to continue rental assistance for the units in FY 07-08 and to provide rental assistance for at least an additional 250 units, which shall increase the availability of housing options for North Carolinians with disabilities, particularly for those individuals that are transitioning out of State psychiatric hospitals and those that are transitioning out of long-term care facilities.</p>	<p>In response to this recommendation, HB 199 and SB 51 were introduced.</p> <ul style="list-style-type: none"> <li>• HB 199 was referred to the House Committee on Mental Health Reform, and if favorable, to the Committee on Appropriations. SB 51 was referred to the Committee on Appropriations. The Health and Human Services Conference Report for S.L. 2007-323 (HB 1473) contains \$7,500,000 in non-recurring funding to the North Carolina Housing Trust Fund for the financing of additional independent and supporting living apartments for people with disabilities. The apartments shall be affordable to those with incomes at the Supplemental Security Income (SSI) level.</li> </ul>
<p><b><u>Recommendation 12: Study Housing Concerns and Staff Training Required for Mixed Populations</u></b></p> <p>In response to the Commission on Aging and Mental Health Oversight Subcommittee report, the Study Commission on Aging recommends that the General Assembly direct the Department of Health and Human Services, Division of Facility Services, Division of Aging and Adult Services, and the Division of Mental Health, to analyze the rules and regulations in North Carolina and in other states regarding the provision of appropriate care and the housing of residents with mental illness in the same facility vicinity as those without mental illness. The Department shall also analyze and recommend appropriate staff training requirements to enable direct care workers in long-term care facilities to simultaneously provide appropriate care to mentally ill residents and those that are not mentally ill. The Department shall present findings, recommendations, and any required statutory or rule changes to the Study Commission on Aging and the Joint Legislative Mental Health Oversight Committee by March 1, 2008.</p>	<p>In response to this recommendation, HB 196 and SB 164 were introduced.</p> <ul style="list-style-type: none"> <li>• S.L. 2007-156 (SB 164) enacted.</li> </ul>

RECOMMENDATION	RESULT
<p><b><u>Recommendation 13: Increase SA In-Home Slots</u></b></p> <p>In response to the Commission on Aging and Mental Health Oversight Subcommittee report, the Study Commission on Aging recommends that the General Assembly direct the Department of Health and Human Services to increase the total number of State/County Special Assistance In-Home Program slots to 2000 in FY 07-08.</p>	<p>In response to this recommendation, HB 197 and SB 58 were introduced.</p> <ul style="list-style-type: none"> <li>• S.L. 2007-323, Sec. 10.14 (HB 1473, Sec. 10.14) amends Part 3 of Article 2 of Chapter 108A of the General Statutes to add a new section pertaining to Special Assistance in-home payments. The section provides that the Department of Health and Human Services may use funds from the existing State-County Special Assistance for Adults budget to provide Special Assistance payments to eligible individuals in in-home living arrangements. The payments may be made for up to 15% of the caseload for all State-County Special Assistance for Adults. The standard monthly payment to individuals enrolled in the in-home program must be 75% of the monthly payment the individual would receive if the individual resided in an adult care home and qualified for Special Assistance, unless a lesser payment amount is appropriate for the individual as determined by the local case manager. The Department is required to implement Special Assistance in-home eligibility policies and procedures to assure that in-home program participants are those individuals who need and, but for the in-home program would seek, placement in an adult care home facility. The policies and procedures must also include the use of a functional assessment. The Department must make this in-home option available to all counties on a voluntary basis and, to the maximum extent possible, must consider geographic balance in the dispersion of the payments to individuals across the State. The provision requires that for State fiscal year 2007-08, qualified individuals must not receive payments at rates less than they would have been eligible to receive in State fiscal year 2006-07.</li> </ul>

RECOMMENDATION	RESULT
<p><b><u>Recommendation 14:</u> Support for the Transitional Residential Treatment Program and for LME Notification of Mental Health Determination Using the Uniform Screening Tool</b></p> <p>In response to the Commission on Aging and Mental Health Oversight Subcommittee report, the Study Commission on Aging expresses support for development, by the Department of Health and Human Services, of a "Transitional Residential Treatment Program" to provide 24-hour residential treatment and rehabilitation for mentally ill adults who have a pattern of difficult behaviors that exceed the capabilities of traditional community residential settings, and support the continued development of a Uniform Screening Tool, including the requirement that the appropriate Local Management Entities (LMEs) be notified of the status of the individual's mental health and the admission of that individual to a facility.</p>	<p>No bills were introduced in response to this recommendation.</p>
<p><b><u>Recommendation 15:</u> Authorize Star-Rated Certificate Rules</b></p> <p>The Study Commission on Aging recommends that the General Assembly enact legislation to give the Medical Care Commission the authority to adopt rules allowing the issuance of star-rated certificates to adult care homes and to appropriate to the Department of Health and Human Services, Division of Facility Services, \$153,000 for FY 07-08, to be used for salaries for two positions and for database enhancement, and \$108,000 for FY 08-09, for salaries and database maintenance, for implementation of the Star Rating system.</p>	<p>In response to this recommendation, HB 248 and SB 752 were introduced.</p> <ul style="list-style-type: none"> <li>• S.L. 2007-544 (SB56) was enacted and Section 3 contains the provisions related to this recommendation. The act requires that the certificates issued to adult care homes contain a rating based, at a minimum, on inspections and substantiated complaint investigations conducted by the Department of Health and Human Services to determine compliance with licensing statutes and rules. Specific areas to be reviewed are listed in the act.</li> <li>• The Health and Human Services Conference Report for S.L. 2007-323 (HB 1473) contains \$500,000 non-recurring funding in FY 08-09 to assist adult care homes with the implementation of the adult care home rated certificate program.</li> </ul>

RECOMMENDATION	RESULT
<p><b><u>Recommendation 16: Funds for WIN A STEP UP</u></b></p> <p>The Study Commission on Aging recommends that the General Assembly appropriate to the Department of Health and Human Services, Division of Facility Services, \$200,000 for FY 07-08 and \$200,000 for FY 08-09 to develop and pilot a WIN A STEP UP (Workforce Improvement for Nursing Assistants: Supporting Training, Education, and Payment for Upgrading Performance) Program for nurse aides employed by home care agencies; to appropriate \$200,000 for FY 07-08 and \$325,000 for FY 08-09, in addition to fine and penalties collections provided by the Division, to continue the program in nursing homes; and to direct the WIN A STEP UP Program to study the feasibility of becoming a self-sustaining program and to report to the House and Senate Appropriations Subcommittees on Health and Human Services by May 1, 2008. The WIN A STEP UP program shall continue to enhance and enrich curriculum components with information and exercises involving appropriate care for individuals with dementia, anxiety, depression, and other severe mental health problems.</p>	<p>In response to this recommendation, HB 97 and SB 99 were introduced and referred to the Appropriations Committees.</p>
<p><b><u>Recommendation 17: Support Recommendations from the House Study Committee on State Guardianship Laws</u></b></p> <p>The Study Commission on Aging supports the recommendations of the House Study Committee on State Guardianship Laws.</p>	<p>This recommendation expresses support for recommendations from the House Study Committee on State Guardianship Laws.</p>

# **Summary of Substantive Legislation Related to Aging**

North Carolina General Assembly  
**2007 Session**



*Prepared by Staff for the:  
North Carolina Study Commission on Aging*

January 24, 2008

## **Enacted Legislation**

### **Extend Restriction on Home Care Licenses**

S.L. 2007-125 (SB 748) extends the restriction on the Department of Health and Human Services from issuing licenses to new home care agencies that intend to offer in-home aide services. The initial restriction began on January 1, 2007 and was scheduled to expire December 31, 2007. The restriction is extended to give the Department time to assure compliance with newly adopted home care rules and will expire at the end of the 2008 calendar year. The act specifies that extending the restriction will give the Department additional time to work with existing home care agencies to assure compliance with the newly adopted home care rules. As with the earlier law, this act does not prevent the Department from issuing licenses to certified home health agencies that intend to offer in-home aide services or to agencies that need a new license due to the acquisition of an existing home care agency.

This act became effective June 27, 2007. (SP)

### **Senior Center Outreach**

S.L. 2007-323, Sec. 10.11 (HB 1473, Sec. 10.11) requires that of the funds appropriated for the 2007-009 fiscal biennium, the Department of Health and Human Services, Division of Aging and Adult Services, must enhance senior center programs:

- To expand the outreach capacity of senior centers to reach unserved or underserved areas; or
- To provide start-up funds for new senior centers.

However, prior to funds being allocated pursuant to this section for start-up funds for a new senior center, the county commissioners of the county in which the new center will be located must:

- Formally endorse the need for such a center;
- Formally agree on the sponsoring agency for the center; and
- Make a formal commitment to use local funds to support the ongoing operation of the center.

Additionally, this section prevents State funding from exceeding seventy-five percent (75%) of reimbursable costs.

This section became effective July 1, 2007. (TM)

### **Quality Improvement Consultation Program for Adult Care Homes**

S.L. 2007-323, Sec. 10.12 (HB 1473, Sec. 10.12) requires the Division of Aging and Adult Services, Department of Health and Human Services, to develop a Quality Improvement Consultation Program for Adult Care Homes (Program). During development of the Program, the Division must consult with adult care home providers, county departments of social services, consumer advocates, and other interested stakeholders. The purpose of the Program is to promote better care and improve quality of life in a safe environment for residents in adult care homes through consultation and assistance with adult care home providers. County departments of social services are responsible for implementation of the Program with all adult care homes located in the respective county based on a timetable for statewide implementation.

The Program must address these topics:

- Principles and philosophies that are resident-centered and promote independence, dignity, and choice for residents;
- Approaches to develop continuous quality improvement with a focus on resident satisfaction and optimal outcomes;
- Dissemination of best practice models that have been used successfully elsewhere;
- A determination of the availability of standardized instruments, and their use to the extent possible, to assess and measure adult care home performance according to quality of life indicators;

- Utilization of quality improvement plans, that include agreed upon time frames for completion of improvements and identification of needed resources for adult care homes, and that identify and resolve issues that adversely affect quality of care and services to residents;
- Training required to equip county departments of social services' staff to implement the Program;
- A distinction of roles between the regulatory role of the Department's Division of Health Service Regulation and the quality improvement consultation and monitoring responsibilities of the county departments of social services; and
- Identification of staffing and other resources needed to implement the Program.

The Division of Aging and Adult Services is required conduct a pilot of the Program. Pursuant to the section, no more than four county departments of social services are allowed to participate in the pilot, and geographic balance and size must be considered in carrying out the pilot. At the conclusion of the pilot, the Division must make recommendations regarding the effectiveness of the Program. If the Division recommends expansion of the pilot, the report must include the cost and a proposed timetable for implementing the recommendations, including identification of any statutory or administrative rule changes. Recommendations regarding expansion of the pilot to other counties, or statewide implementation of the Program, must be made to the Secretary of the Department of Health and Human Services, the North Carolina Study Commission on Aging, the Senate Appropriations Committee on Health and Human Services, and the House of Representatives Subcommittee on Health and Human Services.

This section became effective July 1, 2007. (TM)

## **State-County Special Assistance**

S.L. 2007-323, Sec. 10.13 (HB 1473, Sec. 10.13) provides that effective January 1, 2007, the maximum monthly rate for residents in adult care home facilities is \$1,148 per month per resident, unless adjusted by the Department of Health and Human Services, and effective October 1, 2007, the maximum monthly rate for residents in adult care home facilities increases to \$1,173, unless adjusted by the Department. The maximum monthly rate for residents in Alzheimer/Dementia special care units is \$1,515 per month per resident, unless adjusted by the Department. Effective July 1, 2007, the Department must recommend rates for State-County Special Assistance and for Adult Care Home Personal Care Services. The Department may recommend rates based on appropriate cost methodology and cost reports submitted by adult care homes that receive Special Assistance funds and must ensure that cost reporting is done for Special Assistance and Adult Care Home Personal Care Services to the same standards as apply to other residential service providers.

This section became effective July 1, 2007. (TM)

## **Special Assistance In-Home**

S.L. 2007-323, Sec. 10.14 (HB 1473, Sec. 10.14) amends Part 3 of Article 2 of Chapter 108A of the General Statutes to add a new section pertaining to Special Assistance in-home payments. The section provides that the Department of Health and Human Services may use funds from the existing State-County Special Assistance for Adults budget to provide Special Assistance payments to eligible individuals in in-home living arrangements. The payments may be made for up to 15% of the caseload for all State-County Special Assistance for Adults. The standard monthly payment to individuals enrolled in the in-home program must be 75% of the monthly payment the individual would receive if the individual resided in an adult care home and qualified for Special Assistance, unless a lesser payment amount is appropriate for the individual as determined by the local case manager. The Department is required to implement Special Assistance in-home eligibility policies and procedures to assure that in-home program participants are those individuals who need and, but for the in-home program would seek, placement in an adult care home facility. The policies and procedures must also include the use of a functional assessment. The Department must make this in-home option available to all counties on a voluntary basis and, to the maximum extent possible, must consider geographic balance in the dispersion of the payments to individuals across the State. The provision requires that for State fiscal year 2007-08, qualified individuals must not receive payments at rates less than they would have been eligible to receive in State fiscal year 2006-07.

This section became effective July 1, 2007. (TM)

## Reenact Long-Term Care Credit

S.L. 2007-323, Sec. 31.5 (HB 1473, Sec. 31.5). Long-term care insurance is designed to protect individuals against the high costs of long-term care. The General Assembly enacted a long-term care insurance tax credit in 1998. It expired in 2004. This section of the act reenacts the individual income tax credit for premiums paid on long-term care insurance. The credit amount is equal to 15% of the premium paid each year on a long-term care insurance policy. The credit may not exceed \$350 for each policy for which the credit is claimed. The credit differs from the former credit in that, to be eligible to claim it, a taxpayer's adjusted gross income must not exceed a stated amount. For married taxpayers filing jointly, the income limitation is \$100,000.

This section becomes effective for taxable years beginning on or after January 1, 2007, and expires for taxable years beginning on or after January 1, 2013. (CA)

## Medicaid Hardship/Estate Recovery/Data Share

S.L. 2007-442 (HB 1537) amends the Medicaid estate recovery provisions to allow the Department of Health and Human Services to continue as a fifth class creditor; amends the law regarding required data sharing by health insurers and the Department of Health and Human Services; and codifies the provisions setting forth the Medicaid hardship waiver process.

**Medicaid Estate Recovery Plan.** – This portion of the act amends S.L. 2005-276, Section 10.21C, which allowed the Department of Health and Human Services to impose liens against real property for Medicaid estate recovery. The act repeals the following four sections: 1) G.S. 108A-70.6 which pertained to the postponement of estate recovery in cases of undue hardship, 2) G.S. 108A-70.7 which provided direction when estate recovery is not cost effective, 3) G.S. 108A-70.8 which added a notice of estate recovery, and 4) G.S. 108A-70.9 which required county departments of social services to provide information and assistance. This portion of the act further amends the Medicaid Estate Recovery Plan to allow the Department to recover from the estates of recipients of medical assistance an equitable amount of the State and federal shares of the cost paid for the recipient. This section of the act also amends medical care services listed under the definition of "medical assistance," to specify that medical care services paid for by the North Carolina Medicaid Program on behalf of the recipient if the recipient is 55 years of age or older, no longer include Medicare premiums, private duty nursing, home health aide services, home health therapy, speech pathology services, but now include prescription drugs (replacing the requirement that prescription drugs must be related to nursing facility services or home and community-based services). This portion of the act also grants the Department the authority to adopt rules to waive whole or partial recovery when the recovery would be inequitable because it would work an undue hardship or because it would not be administratively cost-effective.

**Data Sharing.** – This portion of the act amends the requirements of insurers to provide certain information to the Department of Health and Human Services. It adds the following definitions:

- "Subscriber" – means the policyholder or covered person of the insurance.
- "Applicant" – means an applicant or former applicant of medical assistance benefits.
- "Recipient" – means a present or former recipient of medical assistance benefits.
- "Request" – means any inquiry by the Department or Division for the purpose of determining the existence of insurance where the Department or Division may have expended public assistance benefits.

This portion of the act also allows information to be provided to the Division or its authorized contractor, to determine what period the individual or the individual's spouse or dependents may be (or may have been) covered by a health insurer and the nature of the coverage that is or was provided by the health insurer.

**Medicaid Hardship.** – This final portion of the act amends the Medicaid laws by adding a new section regarding a waiver of the transfer of assets penalty due to hardship. The act makes the following changes:

- *Notice of the Right to Request a Waiver* - Prior to the imposition of a period of ineligibility for long-term care services because of an asset transfer (penalty period), the county Department of Social Services (DSS) must notify the individual of their right to request a waiver of the penalty period because it will cause an undue hardship.
- *Process for Medicaid Applicant* - The determination of whether to waive the penalty period must be processed as part of the Medicaid application and subject to application processing standards set

forth in the administrative rules when a waiver of penalty period due to undue hardship is requested by a Medicaid applicant requesting Medicaid pay for institutional care.

- *Process for Medicaid Recipient* - When an ongoing Medicaid recipient applies for institutional care, or is receiving Medicaid payment for institutional care, receives notice of the right to request a waiver of the penalty period because it will cause an undue hardship, the recipient has 12 calendar days from the date of the notice to request a waiver. The process for the waiver request is as follows:
  - 5 work days from receipt of a request for waiver, the county DSS must notify the individual in writing of the information and documentation necessary for approving the waiver.
  - 12 calendar days from the date of the notice above, the individual must provide the necessary information and documentation to establish the undue hardship.
  - At the end of the first 12 calendar day period, if the necessary information and documentation has not been received by the county DSS, the DSS must notify the individual of the necessary information and documentation and the individual will be given an additional 12 calendar days to provide information.
  - If the individual fails to request a waiver within 12 calendar days, the county DSS must impose the transfer of assets penalty in accordance with G.S. 108A-79.
  - By the end of the second 12 calendar day notice, if the necessary information and documentation has not been received by the county DSS, the DSS will deny the request for waiver and notify the individual of the denial in accordance with G.S. 108A-79.
  - The county DSS shall make a determination of whether the imposition of the penalty period would cause an undue hardship to the individual if the DSS receives the necessary information and documentation within the specified time frames. The county DSS must complete the determination and notify the individual, pursuant to G.S. 108A-58.2(g), that: 1) an undue hardship exists the waiver is approved, or 2) an undue hardship does not exist and the request for a waiver has been denied. During the determination process, if the county DSS identifies the need for additional information and documentation, the individual must be notified in writing given a new period of time to provide the information.
- Under the changes a facility in which an institutionalized individual is residing may request an undue hardship waiver on behalf of the individual with the written consent of the individual or the personal representative of the individual.
- This portion of the act also provides that while the determination on a request for a waiver is pending, Medicaid is prevented from making payments for nursing facility services or intermediate care facility for the mentally retarded services to hold a bed for the individual. If an individual is institutionalized and receiving Medicaid payment for services, Medicaid will maintain the same level of services until the last day of the month after the later of the expiration of the ten day workday period following the notice required by law, or the date the decision of a local appeal hearing described in the law is issued if the individual requests an appeal, whichever comes later.
- *Undue hardship* – This portion of the act provides that undue hardship exists if the imposition of the penalty period would deprive the individual of medical care, such that health or life would be endangered, or of food, clothing, shelter, or other necessities of life. The individual must provide the information and documentation necessary to demonstrate to the Director of the county DSS, or designee, that:
  - The individual currently does not have an alternative source of income or resources available to provide the medical care or food, clothing, shelter or other necessities of life that the individual would be deprived of due to the imposition of the penalty; and
  - The individual or person acting on their behalf, is making a good faith effort to pursue all reasonable means to recover the transferred asset, or the fair market value of it, which may include seeking the advice of an attorney and pursuing legal remedies and cooperating with any attempt to recover the transferred asset or the fair market value.

With regard to undue hardship the following definitions apply:

- "health or life would be endangered" – means a medical doctor with knowledge of the individual's medical condition certifies in writing that in his or her professional opinion, the individual will be in danger of death or the individual's health will suffer irreparable harm if a penalty period is imposed.

- "other necessities of life" – includes basic, life sustaining utilities, including water, heat, electricity, phone, and other items or activities that without which the individual's health or life would be endangered.
- "income" – means all income of the individual and to the community spouse less an amount for the community spouse equal to the minimum monthly maintenance needs allowance as determined under 42 U.S.C. 1396r-5(d)(3)(A)(ii) without regard to any adjustment that would be made under 42 U.S.C. 1396r-5(e3) plus fifty percent (50%) of other income in excess of the minimum monthly maintenance needs allowance as described in this section.
- "resources" – means all resources of the individual and of the community spouse except for the excluded home, the equity of a motor vehicle up to \$30,000, other personal property, and an amount of other resources for the community spouse equal to sixty percent (60%) of the community spouse resource allowance as determined under 42 U.S.C. 1396r-5(f)(2)(A) which is not less than the amount specified in 42 U.S.C. 1396r-5(f)(2)(A)(i) or greater than sixty percent (60%) of the amount specified in 42 U.S.C. 1396r-5(f)(2)(A)(ii).
- Other changes relative to this provision include:
  - The specification that an undue hardship does not exist when the application of a transfer of assets penalty merely causes the individual an inconvenience or restricts his or her lifestyle.
  - A requirement that during a penalty period that has been waived due to undue hardship, an acquisition by the individual of new or increased income or resources will be treated as a change in situation and evaluated pursuant to rules adopted by the Department of Health and Human Services.
  - The disapproval of 10A NCAC 21B.0314, adopted by the Department of Health and Human Services on January 19, 2007 and approved by the Rules Review Commission on March 15, 2007.
  - Uncodified language that provides that unless require by federal law, the Department of Health and Human Services, Division of Medical Assistance must limit notification of estate recovery to the application process for Medicaid, and to following the death of the recipient.

**Reporting Requirement.** - The act requires the Department of Health and Human Services to report by April 15, 2008, to the chairs of the Senate and House of Representatives appropriations Committees and the chairs of the Senate and House of Representatives appropriations Subcommittees on Health and Human Services. The report must include the following information:

- For the previous twenty four months, the total expenditure for personal care services for each year, and the total expenditure for each setting in which personal care services were provided.
- For the period beginning October 1, 2007, the total number of deceased recipients that received personal care services, the average expenditure for personal care services for those recipients, and the average value of the estate of those recipients.
- For the period beginning October 1, 2007, for each estate against which recovery is sought for the provision of personal care services, the total amount of personal care services provided, and the value of the estate.
- Recommendations, if any, by the Department for a threshold to begin recovery from the estate of a deceased recipient of personal care services.

This act became effective August 23, 2007. (TM)

## **Licensure Changes relating to Hospitals, Adult Care Homes, and Mental Health Facilities**

S.L. 2007-444 (HB 772) makes a number of changes relating to the laws regulating the licenses of hospitals, adult care homes, and persons employed in mental health facilities or as medication aides as follows:

**Licensed Hospitals-** The act authorizes the Secretary of the Department of Health and Human Services to suspend admissions in a hospital or a particular service or unit of a hospital where conditions are considered dangerous to the health and safety of its patients after considering the following factors:

- The character and degree of impact the conditions would have on a patient's health and safety;
- The character and degree of impact the suspension would have on the functionality of the hospital and its ability to serve current patients and the community;
- If all other reasonable means for correcting the problem have been exhausted.

The section further provides that the facility may contest any adverse action on its license within 20 days after the Department mails notice. The section directs the Department to provide consultation to assist the hospital in correcting any conditions that led to a suspension of admissions or specific services in an effort to lift the suspension as soon as the Secretary is satisfied that the condition has improved.

The act authorizes the Division of Health Service Regulation (Formerly Division of Facility Services) to temporarily waive rules pertaining to hospitals during times of emergencies declared in accordance to the laws of the North Carolina Emergency Management Act or upon request of an emergency management agency defined in G.S. 166A-4 to the extent necessary to allow the facility to provide temporary shelter and services. The section provides the Division the authority to identify which rules and to what extent they may be waived in advance of an emergency.

**Licensed Mental Health Facilities-** The act amends G.S. 122C-80 to allow private entities to conduct the required State criminal history check for potential employees of licensed mental health facilities.

**Medication Aides-** The act makes technical corrections relating to Medication Aides and the Health Care Personnel Registry.

**Licensed Adult Care Homes-** The act prohibits a new license from being issued due to a change of ownership of an adult care home if outstanding fees, fines, or penalties imposed by the State against the home have not been paid. The section requires investigations of violations at an adult care home must be completed within 60 days.

This act became effective August 23, 2007. (SP)

## Smoking Prohibited Inside Long Term Care Facilities

S.L. 2007-459 (HB 1294) prohibits smoking inside long-term care facilities, including adult care homes, nursing homes, skilled nursing facilities, State psychiatric hospitals, and other licensed facilities that provide long-term care services. The act requires owners, managers, or operators of a long-term care facility to:

- conspicuously post a sign stating that smoking is prohibited;
- direct any person smoking inside the facility to extinguish any lighted tobacco product; and
- provide written notice to individuals upon admittance that smoking is prohibited inside the facility and obtain the signature of the individual or the individual's representative acknowledging receipt of the notice.

The act directs home care agencies to prohibit their employees from smoking while providing services in an individual's home. The home care agency is required to inform its clients about the prohibition. Any owner, manager, or operator of facilities or home care agency not complying with the act can be fined by the Department of Health and Human Services an administrative penalty of up to \$200 per violation.

The provision relating to State psychiatric hospitals becomes effective January 1, 2008 the remainder of the act became effective October 1, 2007. (SP)

## Silver Alert System/Missing Persons Alert

S.L. 2007-469 (HB 38) establishes the Silver Alert System and exempts emergency medical services personnel locating missing persons from the private protective services act.

The Silver Alert System will provide a statewide system for the rapid dissemination of information regarding a missing person who is believed to be suffering from dementia or other cognitive impairment. The System will be established within the North Carolina Center for Missing Persons. The Center is required to make every effort to disseminate the information as quickly as possible when the missing person is 18 years of age or older, and the person's status as missing has been reported to a law enforcement agency. A missing person report may be submitted by a parent, spouse, guardian, legal custodian, or person responsible for the supervision of the missing individual. The Center is required to adopt guidelines and develop procedures for issuing an alert for a person believed to be suffering from dementia or other cognitive impairment, to provide education and training to encourage broadcaster participation, and to ensure that specific health information about the missing person is not made public through the alert or otherwise. Additionally, the Center must work with the Department of Transportation to develop a procedure for the use of overhead permanent changeable message signs to provide information on the missing adult.

The act also amends the definition of private protective services to specify that it does not prevent credentialed emergency medical services personnel from engaging in search and rescue activities at the request of either the

State, a political subdivision of the State, or one of following types of facilities: adult care home, health care facility, or facility licensed to offer mental health, developmental disabilities, or substance abuse services. For purposes of these changes, search and rescue is defined as the activities and documents relating to efforts to locate an individual following the individual's disappearance. However, the exemption from the definition of private protective services does not apply if the emergency medical service provider provides services beyond emergency search and rescue and if the activities meet the definition of private protective services.

The act became effective August 29, 2007. (TM)

## **Adult Care Home or Nursing Home/Expedited Certificate of Need**

S.L. 2007-473 (HB 1685) requires the Department of Health and Human Services, Division of Health Service Regulation, to develop an expedited certificate of need review process for a current holder of a certificate of need for an adult care home or a nursing home, allowing the relocation from one licensed facility or campus to another. The expedited certificate of need review process will be available only to a facility that meets the following criteria:

- The facility currently holds a certificate of need for an adult care home or nursing home.
- The facility proposes to move from one licensed facility or campus to another licensed facility or campus.
- Both the current and the proposed facilities or campuses are located within the same county.
- The relocation of the adult care home or nursing home would not result in an increase in the total number of adult care home beds or nursing home beds for that facility or campus.

The Division is required to implement the expedited certificate of need review process no later than October 1, 2007. On or before May 1, 2008, the Department must define the minimum review criteria necessary to determine the need for relocation of a facility by the circumstances required under this act and report to the General Assembly.

This act became effective August 29, 2007, and applies to certificate of need applications for relocation of adult care homes and adult care home beds or nursing homes and nursing home beds within the same county filed on or after the date of implementation of the expedited review process by the Department of Health and Human Services, Division of Health Service Regulation. (TM)

## **Penalty Review/Long-Term Care Changes**

S.L. 2007-544 (SB 56) amends the Penalty Review Committee, expands the Health Care Personnel Registry, and authorizes the Medical Care Commission to adopt rules for the issuance of rated certificates to adult care homes.

### **Penalty Review Committee. –**

- The act amends the Penalty Review Committee, established within the Department of Health and Human Services, to require that the Committee meet as often as needed, but no less frequently than once each quarter of the year to review administrative penalties assessed to adult care homes and nursing homes. The act also makes changes to the notice requirements for Committee meetings to:
  - Require that public notice of Committee meetings be made via Web site.
  - Require that direct notice of the Committee meetings be made to the licensed provider, who must post the notice of the scheduled Penalty Review Committee meeting in a conspicuous place available to residents, family members, and the public.
  - Require that direct notice be provided to the local department of social services that is responsible for oversight of the facility involved and to the residents affected.
  - Replace the requirement of providing direct notice to "families or guardians of the residents affected" with a requirement that direct notice be provided to those individuals lawfully designated by the affected resident to make health care decisions for the resident.
- Changes to the Penalty Review Committee regarding notification to families and training of Committee members represent a return to statutory language that was in place prior to S.L. 2005-276 because the prior language allowed the process to function more efficiently and effectively.

### **Health Care Personnel Registry. –**

- The act expands the Health Care Personnel Registry, maintained by the Department of Health and Human Services, which contains the names of all health care personnel working in health care facilities that have been subject to findings of neglect, abuse, diversion of drugs, fraud, or misappropriation of property. Individuals ("health care personnel") and entities ("health care facilities") subject to the provisions of the Health Care Personnel Registry are defined by law. This act adds the following entities to the list of defined health care facilities:
  - Licensable Facilities – those that provide services for one or more minors, or for two or more adults, who are mentally ill, developmentally disabled, or substance abusers as defined by G.S. 122C-3(14)b.
  - Multiunit Assisted Housing with Services as defined in G.S. 131D-2.
  - Community Based Providers of Services for the Mentally Ill, the Developmentally Disabled, and Substance Abusers that are not required to be licensed under Article 2 of Chapter 122C.
  - Agencies providing in-home aide services funded through the Home and Community Care Block Grant in accordance with G.S. 143B-181.1(a)11.
- The act also expands the definition and coverage of "health care personnel" to include any unlicensed health care facility staff that has direct access to residents, clients, or their property. Direct access includes any health care facility unlicensed staff that during the course of employment has the opportunity for direct contact with an individual or an individual's property, when that individual is a resident or person to whom services are provided.

### **Issuance of Rated Certificates to Adult Care Homes. –**

- Section 10.41, S.L. 2005-276 (SB 622) required the Department of Health and Human Services to develop a plan for implementing a rating system for adult care homes. The report from this requirement indicated that the Medical Care Commission needed authority to adopt rules for the issuance of certificates. This act gives the Medical Care Commission the authority to adopt rules for the issuance of rated certificates to adult care homes.
- The act requires that the certificates issued to adult care homes contain a rating based, at a minimum, on inspections and substantiated complaint investigations conducted by the Department of Health and Human Services to determine compliance with licensing statutes and rules. Specific areas to be reviewed include:
  - Admission and discharge procedures.
  - Medication management.
  - Physical plant.
  - Resident care and services, including food services, resident activities programs, and safety measures.
  - Residents' rights.
  - Sanitation grade.
  - Special Care Units.
  - Use of physical restraints and alternatives.
- The act requires that initial ratings awarded to a facility must be based on inspections, penalties imposed, and investigations of substantiated complaints that revealed noncompliance with statutes and rules, that occurred on or after the act becomes law.
- The act also specifies that Type A penalties will affect a facility's rating for 24 months from the date the penalty is assessed and Type B penalties will affect the rating for 12 months from the date the penalty is assessed.
- Adult care homes are required to display the rating certificate in a location visible to the public. Certificates must include the Web site address for the Department of Health and Human Services, which can be accessed for specific information regarding the basis for the facility rating. For access by the public on request, adult care homes must also maintain on-site a copy of information provided by the Department regarding the basis of the facility rating. The Web site and the on-site materials must provide information on quality improvement efforts undertaken by the facility including: participation in any quality improvement programs approved by the Department and the facility's attainment of the NC NOVA (New Organizational Vision Award) special licensure designation.
- With regard to adult care home rated certificates the act also includes:
  - A requirement that the Department of Health and Human Services provide to the North Carolina Study Commission on Aging a copy of emergency, temporary, and permanent rules adopted.

- The written intent of the General Assembly to provide funding for technical assistance to adult care homes for the 2008-2009 fiscal year. (This funding is provided in Section 10.54, S.L. 2007-323.)
- A requirement that the Department of Health and Human Services, Divisions of Health Service Regulation, Aging and Adult Services, and Medical Assistance, study the structure and cost of a system to reward adult care homes which receive high ratings and to report to the North Carolina Study Commission on Aging not later than March 1, 2008.
- A requirement that the Divisions of Health Service Regulation and Aging and Adult Services study expanding the rated certificate system to other facilities and services licensed and certified by the Department and report to the NC Study Commission on Aging by October 1, 2009.
- A requirement that the Division of Health Service Regulation make an interim report on the implementation of the rated certificate system to the NC Study Commission on Aging not later than October 1, 2009, and a final report to the Commission not later than October 1, 2010.

The portion of the act pertaining to the Penalty Review Committee becomes effective October 1, 2007; the changes to the Health Care Personnel Registry become effective January 1, 2008; the rated certificates authorized by the act must be issued beginning January 1, 2009; and the remainder of the act became effective August 31, 2007. (TM)

## **Studies**

### **Study Respite Care**

S.L. 2007-39 (HB 424) requires the Department of Health and Human Services, Division of Health Service Regulation, Division of Medical Assistance, and the Division of Aging and Adult Services, to study the availability and delivery of respite care which provides temporary relief for family members and others who care for individuals with disabilities, chronic or terminal illnesses, dementia, or the elderly. The Department is required to examine the following issues:

- The need and availability of respite care in North Carolina.
- The delivery and licensing of respite care in other states and possible models for North Carolina.
- The application process for a grant under the Lifespan Respite Care Act of 2006, 42 U.S.C.
- The need for separate statutory language pertaining to respite care.
- The need, proposed structure, and development timeline for a separate licensure category for respite care.
- The development of a Medicaid waiver covering a proposed new licensure category for respite care.

The Department is required to present findings and recommendations, including any proposed statutory changes and new licensure categories, to the North Carolina Study Commission on Aging on or before March 1, 2008.

This act became effective May 11, 2007. (TM)

### **Study Housing/Training Mentally Ill in Adult Care Homes**

S.L. 2007-156 (SB 164) directs the Department of Health and Human Services (Department) to study:

- The rules and regulations relating to the housing of individuals with mental illness in adult care homes that also house individuals without mental illness;
- The need for training direct care workers in long-term care facilities to provide appropriate care to residents with or without mental illness;
- The fiscal impact that the implementation of the training requirements would have on adult care homes; and
- The amount of funding necessary to support a successful training model.

The act requires the Department to present its findings and recommendations, including any statutory or rule changes, to the North Carolina Study Commission on Aging and the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services on or before March 1, 2008.

This act became effective June 29, 2007. (SP)

## **Study Older Adult Programs/Various Counties**

S.L. 2007-355 (SB 448) requires the Department of Health and Human Services to conduct a study in select counties of older adult programs, services, and populations, and to provide recommendations on the structure of a similar study to include all North Carolina counties.

- The Department of Health and Human Services, Division of Aging and Adult Services, to work with the Division of Health Service Regulation; Division of Medical Assistance; Division of Public Health; and the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services to study programs and services for older adults in Brunswick, Buncombe, Gaston, Henderson, Moore, and New Hanover Counties which currently have, or are projected by 2030 to have, the largest numbers of individuals age 60+ when compared to individuals age 17 and younger. The Division is required to make an interim status report on the study to the North Carolina Study Commission on Aging on or before November 1, 2007. On or before April 1, 2008, the Division must make a final report of its findings and recommendations to the 2008 Regular Session of the 2007 General Assembly, the North Carolina Study Commission on Aging, and to the board of county commissioners of each county studied. In conducting the study, the Division shall utilize existing data and resources and shall include the Area Agencies on Aging serving each county studied. The study must include the following for each county studied:
  1. A profile of the current older adult population.
  2. A profile of the projected growth for the older adult population.
  3. An assessment of the anticipated impact on programs and services that address the needs of the older adult population.
  4. Identification of programs and services that are currently in place.
  5. Identification of programs and services that are needed to meet the growth projections.
  6. Current funding sources for programs and services serving the older adult population.
  7. Anticipated funding needs for programs and services serving the older adult population.
  8. A delineation of the programs and services that are shared or offered jointly with another county.
- Additionally, in response to growth projections for the age 60+ population, the Division of Aging and Adult Services is required to make recommendations on a study to include all counties in North Carolina. In conducting the study, the Division must evaluate similar studies conducted in other states. On or before January 1, 2008, the Division is required to make recommendations on the appropriate funding level and criteria to be included in a study to be conducted of all counties in North Carolina. The findings and recommendations on a statewide study must be presented to the North Carolina Study Commission on Aging.

This act became effective August 17, 2007. (TM)

## **Penalty Review/Long-Term Care Changes-Studies Related to Rated Certificates**

S.L. 2007-544 (SB 56). See [Enacted Legislation](#) this document.

**AGING STUDY COMMISSION**  
**BUDGET ACTIONS FY 2007-2009: SESSION LAW 2007-323, HOUSE BILL 1473**

<b>SIGNIFICANT LEGISLATIVE BUDGET ACTIONS</b>
---

**DIVISION OF AGING AND ADULT SERVICES**

**Pilot for Adult Care Home Quality Improvement**

- Additional \$264,000 in nonrecurring funds in each year of the FY 2007-09 biennium;
- To improve independence, dignity, and choice for residents in 4 counties: Alamance, Buncombe, Nash, and Rutherford.

**Area Agencies on Aging**

- Additional \$300,000 in recurring funds for the FY 2007-09 biennium;
- Distributed to the 17 Area Agencies on Aging for services and planning activities statewide.

**Senior Center General Purpose Fund**

- Additional \$200,000 in nonrecurring funds in FY 2007-08;
- To provide additional funding for senior centers.

**Home and Community Care Block Grant**

- Additional \$536,000 in recurring funds in each year of the FY 2007-09 biennium;
- To develop and enhance community-based services and protections for older adults.

**OFFICE OF THE SECRETARY**

**NC Rx Program**

- Additional \$250,000 in nonrecurring funds in FY 2007-08;
- For the Seniors Health Insurance Information Program to assist seniors enrolling in NC Rx and Medicare Part D.

**DIVISION OF HEALTH SERVICE REGULATION**

**Regulatory and Complaint Staff**

- Additional \$261,665 in recurring funds FY 2007-08 and \$288,887 in recurring funds in FY 2008-09;
- To increase staff and oversight in acute health care facilities' regulation and complaint investigations.

**Health Care Personnel Registry and Rating System for Adult Care Homes**

- Additional \$583,000 in recurring funds and \$40,274 in nonrecurring funds in FY 2007-08 and \$805,750 in recurring funds in FY 2008-09;
- 14 positions and costs to expand the Health Care Personnel Registry to include all unlicensed staff of a health care facility who have direct access to residents, clients, or their property;
- To implement a Rating System for adult care homes.

**Technical Assistance for Adult Care Homes**

- Additional \$500,000 in nonrecurring funds for FY 2008-09;
- For technical assistance to assist adult care homes with implementation of the adult care home rating program.

FISCAL RESEARCH DIVISION—NC GENERAL ASSEMBLY

**AGING STUDY COMMISSION  
BUDGET ACTIONS FY 2007-2009: SESSION LAW 2007-323, HOUSE BILL 1473**

<b>SIGNIFICANT SPECIAL PROVISIONS</b>
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**DIVISION OF AGING AND ADULT SERVICES**

**Section 10.11 SENIOR CENTER OUTREACH**

- Directs the Division to use funds appropriated to:
  - Expand outreach capacity of senior centers to reach unserved or underserved areas and provide start-up funds for new senior centers;
  - Requires county commissioners in counties receiving start-up funds for a new center to endorse the need and commit local funds to support operations.

**Section 10.12 QUALITY IMPROVEMENT CONSULTATION PROGRAM FOR ADULT CARE HOMES**

- Directs the Division to develop and conduct a pilot quality improvement consultation program for adult care homes to promote better care and improve quality of life for residents of adult care homes.

**Section 10.13 STATE-COUNTY SPECIAL ASSISTANCE**

Effective October 1, 2007:

- Increases the maximum monthly rate for residents in adult care facilities from \$1,148 per month to \$1,173 per month;
- Continues the separate maximum monthly rate for residents of special care units at \$1,515 per month;
- Allows adjustments to the Special Assistance rate in order to shift some costs to the Medicaid Program. The provision also allows a limited income disregard (subject to federal approval) for individuals whose countable income would exceed the Special Assistance rate once costs are shifted to Medicaid.

**Section 10.14 SPECIAL ASSISTANCE IN-HOME**

- Codifies authorization language for the Special Assistance In-Home Program;
- Allows up to 15% of the total caseload for the Special Assistance Program to be allocated to the Special Assistance In-Home Program;
- Sets the maximum monthly payment for in-home assistance at 75% of the rate paid for individuals living in an adult care home.

**DIVISION OF MEDICAL ASSISTANCE**

**Section 10.39A SKILLED NURSING FACILITY REIMBURSEMENT RATE**

- Directs the Division of Medical Assistance to rebase the rates for the case-mix reimbursement system for skilled nursing facilities:
  - Effective January 1, 2008, one-half of the rate rebasing shall be implemented using 2005 audited cost data;
  - Effective October 1, 2008, the remaining half of the rate rebasing shall be implemented using 2006 audited cost data.
- Requires that inflationary increases for skilled nursing facilities for the 2007-2009 biennium include the rebasing of rates for the case-mix reimbursement system.
- Increases the provider assessment fee by \$2.00 over the biennium to reduce State appropriations needed to rebase the rates.

**AGING STUDY COMMISSION**  
**BUDGET ACTIONS FY 2007-2009: SESSION LAW 2007-323, HOUSE BILL 1473**

**Section 10.40F PILOT PROGRAM/MEDICAID DUAL ELIGIBLES SPECIAL NEEDS PLAN**

- Directs DHHS to evaluate and establish a pilot program in at least two regions of the State;
- Pilot to offer nursing facility certifiable, dual-eligible Medicaid recipients services through a Special Needs Plan (SNP) that will work with the Community Care of North Carolina Program (CCNC).

**Section 10.46 CONTINUE EFFORTS TO EXPAND COMMUNITY CARE OF NORTH CAROLINA AND IMPROVE QUALITY OF CARE FOR AGED, BLIND, AND DISABLED MEDICAID RECIPIENTS**

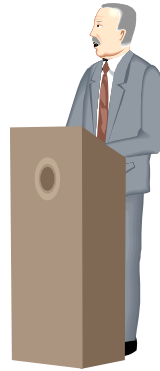
- Directs DHHS to continue to expand the Community Care of North Carolina (CCNC) care management model to Medicare and Medicaid dually eligible persons, focusing on aged, blind, and disabled persons;
- Will manage access and utilization of:
  - personal care services,
  - private duty nursing,
  - home health,
  - durable medical equipment,
  - specialty care,
  - residential services,
  - home infusion therapy,
  - pharmacy, etc

FISCAL RESEARCH DIVISION—NC GENERAL ASSEMBLY

# APPENDIX B

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# **Summary of Issues Most Frequently Mentioned On February 28, 2008 By Organizations Representing Older Adults**



**March 28, 2008**

**Prepared by Staff for the**

*North Carolina Study Commission on Aging*

## Organizations Making Presentations on February 28, 2008

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**Governor's Advisory Council on Aging**

Ann Johnson

**NC Association of County Directors of Social Services**

John Eller

**Alzheimer's Association, Western NC Chapter**

Jackie Rivers

**Direct Care Workers Association of NC**

Tonya Jones

**NC Assisted Living Association**

Evelyn Hawthorne

**NC Dental Society, Committee on Aging**

Bill Milner

**NC Coalition on Aging**

Roxanne Bragg-Cash

**NC Retired Governmental Employees Association**

Ed Regan

**NC Senior Center Alliance**

Stacie Nelson

**Senior Tar Heel Legislature**

Charles Dickens

**NC Association Long Term Care Facilities**

Lou Wilson

**NC Guardianship Association**

Gale Kirk

**Alzheimer's Association, Eastern NC Chapter**

Peggy Smith

**Association for Home & Hospice Care**

Tracy Colvard

**NC Adult Day Services Association**

Teresa Johnson

**NC Association of Area Agencies on Aging**

Joan Pellettier

**NC Association on Aging**

Alan Winstead

**Future Care of NC**

Gordon DeFrieze

**NC Retired School Personnel**

Lacy Presnell

**The Carolinas Center for Hospice and End of Life Care**

Judith Brunger

**AARP, NC Chapter**

Dee Hatch

# Issue Frequency

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Each organization's legislative priorities/issues of concern are summarized and presented in a table format on the following pages.

The number of organizations that mentioned the issue is in parentheses ( ) next to the issue.

The individual issues presented were grouped in the following broad categories: Funding/Funding Related, Not Directly Related to Funding

For Summary Purposes, the issues with the highest frequency were:

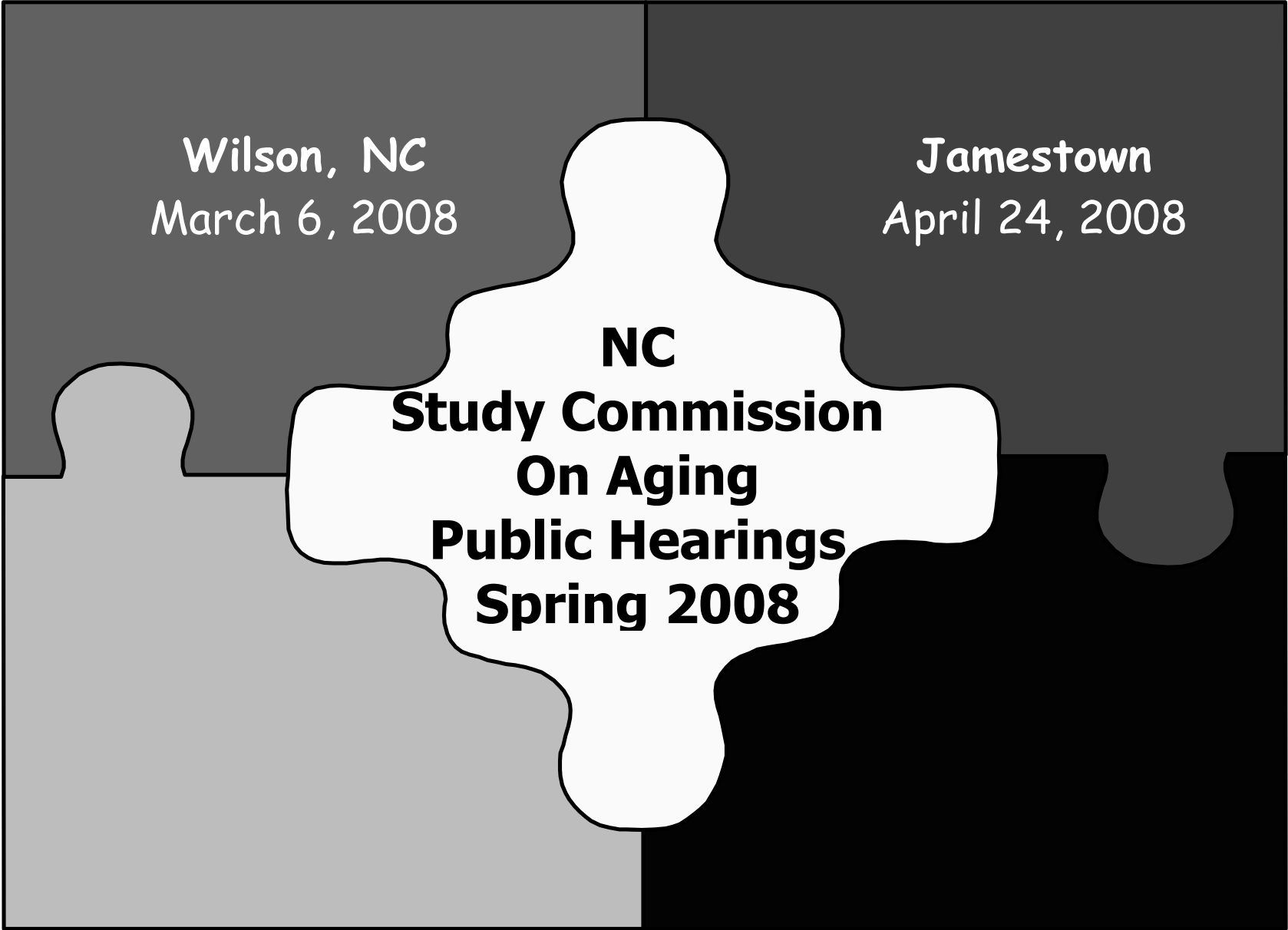
- **Increase Home and Community Care Block Grant (HCCBG) Funds (8)**
- **Increase Senior Center Funds (7)**
- **Provide Funding for Project C.A.R.E. (6)**
- **Support for Adult Protective Services/Enact & Fund APS Clearinghouse Model Pilot (4)**
- **Increase Funds for New & Existing Special Care Dental Programs (Care in Underserved Areas, LTC, Disabled Seniors at Home) (4)**

	Governor's Adv. Council on Aging	NC Guardianship Association	NC Assoc. County Directors Social Sys.	Alzheimer's Assoc. Eastern Chapter	Alzheimer's Assoc. Western Chapter	Assoc. for Home & Hosice Care	Direct Care Workers Assoc.	NC Adult Day Services Assoc.	NC Assisted Living Assoc.	NC Assoc. of Area Agencies on Aging	NC Dental Society, Com. On Aging	NC Assoc. on Aging	NC Coalition on Aging	Future Care of NC	NC Retired Gov. Employees Assoc.	NC Retired School Personnel	Alliance	Carolina Cent. for Hosice & EndCare	Senior Tar Heel Legislature	AARP, NC	NC Assoc. LTC Facilities
<b>FUNDING/FUNDING RELATED</b>																					
Increase HCCBG Funds (8)	x							x		x		x	x				x		x	x	
Increase Senior Center Funds (7)	x									x		x	x				x		x	x	
Increase Funds-Alzheimer's Chapters(1)				x																	
Increase Funds-Adult Day Reimbursement(1)								x													
Increase Funds-Area Agencies on Aging(1)										x											
Provide Funds-Additional NC Prescription Drug Assistance to Those Not Qualifying for Medicare Part D Federal Asst. (1)										x											
Provide Funding for Project C.A.R.E. (6)	x				x			x				x							x	x	
Increase LTC Insurance Tax Credit(1)									x												
Increase Asset Limit for Medicaid- Aged, Blind and Disabled(2)	x												x								
Provide Funds to Division of Public Health for Indoor Plumbing for Older Adults(1)	x																				
Support for Adult Protective Services/ Enact & Fund APS Clearinghouse Model Pilot(4)			x					x				x								x	
Increase Funds for New & Existing Special Care Dental Programs (Care in Underserved Areas, LTC, Disabled Seniors at Home) (4)	x										x								x	x	
Support/Fund Older Adult Pop. Study(1)												x									
Increase Funds-Guardianship Services(2)			x									x									
Increase Funds-Senior Tar Heel Legislature(1)																			x		
Increase Funds- Housing Trust Fund(1)																				x	
Increase Medicaid Nursing Homes Residents Personal Needs Allowance(1)										x											
Require DHHS to Adopt Special Assistance & Medicaid Income Disregard Policy(1)									x												
Retirement Contribution Rates for Government Employees, Health Plan Benefit(2)															x	x					
Collaboration to Streamline Guardianship Efforts (including training) and Funding(2)		x																		x	
Include Dental Care Reimbursement for NC Money Follows Person Program - Medicaid(1)											x										

	NC Assoc. LTC Facilities	AARP, NC	Senior Tar Heel Legislature	Carolinas Centr. for Hospice & EndCare	NC Senior Center Alliance	NC Retired School Personnel	NC Retired Gov. Employees Assoc.	Future Care of NC	NC Coalition on Aging	NC Assoc. on Aging	NC Dental Society, Com. On Aging	NC Assoc. of Area Agencies on Aging	NC Assisted Living Assoc.	NC Adult Day Services Assoc.	Direct Care Workers Assoc.	Assoc. for Home & Hospice Care	Alzheimer's Assoc. Western Chapter	Alzheimer's Assoc. Eastern Chapter	NC Assoc. County Directors Social Sys	NC Guardianship Association	Governor's Adv. Council on Aging
<b>NOT DIRECTLY RELATED TO FUNDING</b>																					
Pursue Rules for S.L. 2005-66 (ACH Licensure Category for Elderly Only) (1)													X								
Review Evaluations that Determine Incompetency (1)																			X		
Promote Limited Guardianship as Readily Accepted Option(1)																			X		
Increased Training for Guardianship(1)																			X		
Address Mentally Ill Mixed with Frail Elderly(1)																					X
Continue Support for Information on LTC Providers(1)							X														
Require Registration of Multiunit Assisted Housing w/ Services (MAHS) (1)													X								
Develop State Alzheimer's Plan(1)																	X				
Enact Legislation to Study Safe Transport of Passengers in Wheelchairs(1)														X							
Require Study on Dedication of Bd. Of Gvnors' Dental Scholarship-Loan Program Slots for Providers Serving Special Populations(1)																					
Direct DHHS-Medical Assistance – to study dental Medicaid behavior reimbursement code for Special Care Patients(1)																					
Study Funding of Special Care Residency Program to Train Future Dental Providers(1)																					
Info. on Direct Care Workers Assn. (1)															X						
Info. on PCS Restructuring(1)																X					
Info. on Future Care of NC(1)																					
Create Task Force- Quality End of Life Care (1)								X													
Remove Barriers- Referrals for Hospice Care(1)																					X
Continue Emphasis-Advance Care Planning(1)																					X
Increase Availability of Palliative Care & Pain Management in Hospitals& Nursing Homes(1)																					X
ACH/DHHS Partnership for Improved Care of Residents & Web-based System for Resident Assessment, Care Planning, Monitoring, Staff Development, and Peer Support(1)																					X

# APPENDIX C

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**Wilson, NC**  
March 6, 2008

**Jamestown**  
April 24, 2008

**NC  
Study Commission  
On Aging  
Public Hearings  
Spring 2008**

## Background Information

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**The North Carolina Study Commission on Aging is created to study and evaluate the existing system of delivery of State services to older adults and to recommend an improved system of delivery to meet the present and future needs of older adults. This study shall be a continuing one and the evaluation ongoing, as the population of older citizens grows and as old problems faced by older citizens magnify and are augmented by new problems. (G.S. 120-180)**

**The Commission may hold public meetings across the State to solicit public input with respect to the issues of aging in North Carolina. (G.S. 120-185)**

### 2008 Public Hearings

Date	Location	Number of Speakers
March 6, 2008	Wilson, NC	42
April 24, 2008	Jamestown, NC	52

**The issues mentioned with the greatest frequency at both public hearings were:**

- **Increase Home and Community Care Block Grant Funds (21)**
- **Increase Funding/Continue Support for Senior Centers/Make 2007-2008 Increase Recurring (21)**
- **Provide Funding for Project C.A.R.E. (15)**
- **Support for Adult Protective Services/Enact & Fund APS Clearinghouse Model Pilot (14)**
- **Increase Funds for Adult Day Reimbursement/Support Adult Day (13)**
- **Increase Funds for New & Existing Special Care Dental Programs (12)**
- **Support for the Star Rating System (11)**
- **Increase Funds/Continue Study For Guardianship Services (7)**
- **Increase Funds (Restore to 2001 Level) for Area Agencies on Aging (6)**

## Frequency of Issues Expressed by Speakers

	WILSON	JAMESTOWN	TOTAL
ISSUES	FREQUENCY	FREQUENCY	FREQUENCY
Increase HCCBG Funds	13	8	21
Increase Senior Center Funds/Make 2007-08 Increase Recurring	15	6	21
Increase Funds for Adult Day Reimbursement/Support Adult Day	6	7	13
Increase Funds (Restore to 2001 level) for Area Agencies on Aging	5	1	6
Provide Funding for Project C.A.R.E.	3	12	15
Increase Asset Limit for Medicaid- Aged, Blind and Disabled	1	0	1
Support for Adult Protective Services/ Enact & Fund APS Clearinghouse Model Pilot	5	9	14
Increase Funds for New & Existing Special Care Dental Programs	4	8	12
Support/Fund Older Adult Pop. Growth Study	2	0	2
Increase Funds/ Continue Study for Guardianship Services	3	4	7
Increase Funds for Housing Trust Fund/Recurring Funding	3	0	3
Increase Medicaid Reimbursement Rate for Dental Care	1	1	2
Need Transportation Funding for Seniors	4	1	5
Increase CAP/DA and PCS Rates to Maintain Qualified Workers	1	0	1
Support for Home & Hospice Care	2	1	3
Continue Moratorium on New Home Care Agencies	1	0	1
Prohibit Home Care From Giving to Clients	1	0	1
Extend Grace Period to Resolve Medicaid Issues Prior to Patient Transfer	1	0	1
Medicare Advantage Plans – Concern for Aggressive and Misleading Sales Tactics	3	0	3
Support for Respite Services/Support for Family Caregivers	2	0	2
Advance Directives/Leave Decision in Hands of Health Care Providers	1	0	1
Support for the Star Rating System	1	10	11
Increase Monitoring of Family Care Homes	1	0	1
Expand NC Support for Prescription Drug Coverage	1	0	1
Support for HB 1711 Establish Paid Sick Days	1	0	1
Increase Funds for In-Home Services to Reduce Waiting Lists	1	0	1
Increase Licensed Hospice Beds	1	0	1
Concern Over Reverse Mortgages – Require Face to Face Counseling	1	0	1
Support HR 1279 (Federal) – Increase Direct Care Worker Wages	0	1	1
Address Issues Related to Mentally Ill in Adult Care Homes	2	2	4
Support Task Force on End of Life Care	1	1	2
Address the Needs of Developmentally Disabled Older Adults	2	1	3
Funding for Senior Tarheel Legislature	0	1	1
Support for Senior Games	5	0	5
Support for Community Alternatives Program (CAP)	1	0	1

# APPENDIX D

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**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

**U**

**D**

**BILL DRAFT 2007-SHz-23 [v.1] (04/10)**

**(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)  
4/4/2008 12:11:22 PM**

Short Title: Senior Center Funds.

(Public)

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Sponsors: .

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Referred to:

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A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE ADDITIONAL FUNDS TO THE SENIOR CENTER  
GENERAL PURPOSE FUND, AS RECOMMENDED BY THE NORTH  
CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

**SECTION 1.** There is appropriated from the General Fund to the Senior  
Center General Purpose Fund the sum of five hundred thousand dollars (\$500,000) for  
the 2008-2009 fiscal year to be used as additional funding for Senior Centers. It is the  
intent of the General Assembly that funding for this purpose shall be part of the  
continuation budget.

**SECTION 2.** This act becomes effective July 1, 2008.

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

**U**

**D**

**BILL DRAFT 2007-SHz-24 [v.2] (04/10)**

**(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)  
4/29/2008 11:57:36 AM**

Short Title: Home & Community Care Block Grant Funds.

(Public)

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Sponsors: .

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Referred to:

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A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE ADDITIONAL FUNDS FOR THE HOME AND  
COMMUNITY CARE BLOCK GRANT, AS RECOMMENDED BY THE NORTH  
CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

**SECTION 1.** There is appropriated from the General Fund to the  
Department of Health and Human Services, Division of Aging and Adult Services, the  
sum of two million five hundred thousand dollars (\$2,500,000) for the 2008-2009 fiscal  
year to be used as additional funding for the Home and Community Care Block Grant  
(HCCBG).

**SECTION 2.** This act becomes effective July 1, 2008.

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

**U**

**D**

**BILL DRAFT 2007-SHz-25 [v.2] (04/10)**

**(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)  
4/29/2008 11:58:10 AM**

Short Title: Project C.A.R.E. for Dementia Funds.

(Public)

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Sponsors: .

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Referred to:

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A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR PROJECT C.A.R.E. (CAREGIVER ALTERNATIVES TO RUNNING ON EMPTY) WHICH PROVIDES CONSUMER-DIRECTED RESPITE CARE AND COMPREHENSIVE SUPPORT TO DEMENTIA CAREGIVERS WITH A GOAL OF INCREASING RESPITE AND SUPPORT SERVICES TO LOW-INCOME RURAL AND MINORITY CAREGIVERS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

**SECTION 1.** There is appropriated from the General Fund to the Department of Health and Human Services, Division of Aging and Adult Services, the sum of five hundred thousand dollars (\$500,000) for the 2008-2009 fiscal year to fund Project C.A.R.E. (Caregiver Alternatives to Running on Empty), which provides respite care and support to families caring for a person with dementia. The goal of the program is to increase quality, access, choice, and use of respite and support services to low-income rural and minority caregivers.

**SECTION 2.** This act becomes effective July 1, 2008.

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

**U**

**D**

**BILL DRAFT 2007-SHz-26 [v.2] (04/10)**

**(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)  
5/12/2008 4:39:12 PM**

Short Title: Adult Protective Services Pilot Funds.

(Public)

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Sponsors: .

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Referred to:

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A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO ENACT A PILOT PROGRAM TO ASSESS CHANGES PROPOSED BY THE ADULT PROTECTIVE SERVICES TASKFORCE WITH A GOAL OF IMPROVING NORTH CAROLINA'S SYSTEM OF RESPONDING TO ALLEGATIONS OF ABUSE, NEGLECT, EXPLOITATION, OR SUBSTANTIAL RISK OF VULNERABLE OR ELDER ADULTS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

**SECTION 1.** There is appropriated from the General Fund to the Department of Health and Human Services, Division of Aging and Adult Services, the sum of one million four hundred ninety-seven thousand and eighty-seven dollars (\$1,497,087) for the 2008-2009 fiscal year to design and implement the first year of a two year pilot program to assess proposed changes to the adult protective services system. The proposed changes include the implementation of an Adult Protective Services Clearinghouse Model intended to enhance the capacity of county departments of social services when responding to the needs of all abused, neglected, or exploited adults. The Department shall evaluate the pilot and report to the North Carolina Study Commission on Aging on or before March 1, 2010.

**SECTION 2.** This act becomes effective July 1, 2008.

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

**U**

**D**

**BILL DRAFT 2007-SHz-29 [v.5] (04/10)**

**(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)  
5/12/2008 4:41:23 PM**

Short Title:   Statewide Aging Study.

(Public)

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Sponsors:     .

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Referred to:

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A BILL TO BE ENTITLED

AN ACT TO PROVIDE A COMPREHENSIVE FIVE-YEAR STATEWIDE STUDY OF THE STATE'S READINESS TO RESPOND TO THE COMING WAVE OF OLDER ADULTS BY ESTABLISHING A STEERING COMMITTEE FOR THE STUDY, APPROPRIATING FUNDS TO PROVIDE STAFF TO SUPPORT THE COMMITTEE, AND APPROPRIATING FUNDS FOR THE FIRST YEAR OF THE STUDY, AS RECOMMENDED BY THE STUDY COMMISSION ON AGING.

Whereas, the anticipated increases in the older adult population are due to aging members of the baby boom generation, North Carolina's attractiveness as a retirement destination, and increased longevity; and

Whereas, it is projected that by 2030, 75 of North Carolina's counties will have more persons age 60 and older than age 17 and younger; and

Whereas, according to information from the Demographic Unit, Office of State Budget and Management, between 2000 and 2030, population growth for the state as a whole is projected at 52.5%, while the population 65 and older is expected to grow 123% and the population 85 and older is expected to increase 146%; and

Whereas, these demographic shifts will likely impact workforce supply and demand, tax receipts, economic development, health and human services, and a number of other issues effecting State and local government; and

Whereas, the United States' Administration on Aging has elected to provide assistance to the North Carolina Department of Health and Human Services, Division of Aging and Adult Services and Area Agencies on Aging in developing a comprehensive planning model for aging;

Now, therefore,

The General Assembly of North Carolina enacts:

1           **SECTION 1.1.** Committee Established. – There is established the NC  
2 FACT (NC Facing Aging Communities Together) Steering Committee to guide the  
3 work of a five-year study to assess the State's readiness to respond increasing numbers  
4 of older adults residing in North Carolina; to inform and guide future policy and  
5 program development; and to increase State, regional, and local capacity for planning  
6 for an aging population.

7           **SECTION 1.2.** Membership. – The Steering Committee shall consist of 21  
8 members appointed as follows:

- 9           (1) Two members with knowledge of and an interest in aging issues who  
10           are recommended by the North Carolina League of Municipalities and  
11           appointed by the Speaker of the House of Representatives.
- 12           (2) Two members with knowledge of and an interest in aging issues who  
13           are recommended by the North Carolina Association of County  
14           Commissioners and appointed by the President Pro Tempore of the  
15           Senate.
- 16           (3) Two members who are directors of Area Agencies on Aging, one  
17           appointed by the Speaker of the House of Representatives and one  
18           appointed by the President Pro Tempore of the Senate.
- 19           (4) Three members who are directors of local public or private non-profit  
20           aging services providers, including at least one director of a  
21           Department of Social Services, appointed by the Governor
- 22           (5) Two members of the Governor's Cabinet, appointed by the Governor.
- 23           (6) One member who is a State Office of Budget and Management  
24           employee experienced with health and human services or demographic  
25           and economic analysis, appointed by the Governor
- 26           (7) Two members of the Senior Tar Heel Legislature, one appointed by  
27           the Speaker of the House of Representatives and one appointed by the  
28           President Pro Tempore of the Senate.
- 29           (8) One member of the General Assembly appointed by the Speaker of the  
30           House of Representatives.
- 31           (9) One member of the General Assembly appointed by the President Pro  
32           Tempore of the Senate.
- 33           (10) One member of the public appointed by the Speaker of the House of  
34           Representatives.
- 35           (11) One member of the public appointed by the President Pro Tempore of  
36           the Senate.
- 37           (12) The chair of the Governor's Advisory Council on Aging, or designee.
- 38           (13) The Director of the University of North Carolina Institute on Aging, or  
39           designee.
- 40           (14) The President of the North Carolina Chamber of Commerce, or  
41           designee.

42           **SECTION 1.3.** Notices to Departments. – The Committee shall invite the  
43 Secretary of the Department of Health and Human Services to attend each meeting of  
44 the Committee and encourage the participation of representatives from the various

1 departmental divisions that serve older adults. The Committee shall also inform  
2 Secretaries of other Departments represented on the Governor's Cabinet of each meeting  
3 and encourage appropriate participation.

4 **SECTION 1.4.** Cochairs. – The Committee shall have two cochairs, one  
5 designated by the President Pro Tempore of the Senate and one designated by the  
6 Speaker of the House of Representatives from among their respective appointees.

7 **SECTION 1.5.** Duties of the Committee – The Committee shall perform the  
8 following duties:

- 9 (1) Identify information and resources to provide needs assessment,  
10 planning, and delivery of services and programs to current and future  
11 older adults.
- 12 (2) Oversee the design and implementation of a Consumer Needs, Assets,  
13 and Expectations Assessment.
- 14 (3) Oversee the design and implementation of a State and Local  
15 Awareness and Preparedness Assessment.
- 16 (4) Identify and secure studies of related issues, such as retirement  
17 migration patterns, that impact the planning process for North  
18 Carolina's older adult population.
- 19 (5) Oversee design and implementation of a process to strengthen State  
20 and local planning.
- 21 (6) Use the findings of assessments, studies, and additional research, to  
22 produce reports for the Governor and the General Assembly that will  
23 inform and guide policy and program development.
- 24 (7) Periodically evaluate the effectiveness of the study and recommend to  
25 the Governor and the General Assembly any changes to the  
26 Committee's mission.

27 **SECTION 1.6.** Vacancies. –Any vacancy on the Committee shall be filled  
28 by the original appointing authority.

29 **SECTION 1.7.** Expenses of the Committee Members. – Members of the  
30 Committee shall receive per diem, subsistence, and travel allowances in accordance  
31 with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

32 **SECTION 1.8.** Cooperation. – The Committee may call upon any  
33 department, agency, institution or officer of the State or any political subdivision thereof  
34 for facilities, data, or other assistance.

35 **SECTION 1.9.** Consultants. – The Committee may hire consultants to  
36 assist with the study or to provide studies of issues impacting the planning and delivery  
37 of services to the older adult population and needed public policies.

38 **SECTION 1.10.** Meetings. – The Committee shall meet upon the call of the  
39 cochairs. The Secretary of the Department of Health and Human Services and the  
40 Legislative Services Commission shall grant adequate meeting space for the Committee.

41 **SECTION 1.11.** Report. – The Committee shall make an annual report in  
42 January of each year to the Governor, the North Carolina Study Commission on Aging,  
43 the Senate Appropriations Committee on Health and Human Services, and the House of  
44 Representatives Appropriations Subcommittee on Health and Human Services. The

1 Committee shall make its final report in January 2013, and shall expire upon submitting  
2 that report.

3 **SECTION 2.0.** There is appropriated from the General Fund to the  
4 Department of Health and Human Services, Division of Aging and Adult Services, the  
5 sum of one hundred seventy five thousand dollars (\$175,000) for the 2008-2009 fiscal  
6 year, to be used to establish positions to support the NC FACT (NC Facing Aging  
7 Communities Together) Steering Committee.

8 **SECTION 3.0.** There is appropriated from the General Fund to the  
9 Department of Health and Human Services, Division of Aging and Adult Services, the  
10 sum of three million eight hundred twenty thousand dollars (\$3,820,000) for the  
11 2008-2009 fiscal year to provide funds for design, implementation, analysis and  
12 reporting for a survey of consumer needs, assets and expectations; funds for design,  
13 implementation, analysis, and reporting for a survey of state and local governments;  
14 funds to strengthen the capacity of Area Agencies on Aging for support of regional and  
15 local planning; funds to each county to aid the work of citizen-driven local aging  
16 leadership planning; and funds for additional studies and consultants.

17 **SECTION 4.0.** Sections 2 and 3 of this act become effective July 1, 2008,  
18 the remainder of the act is effective when it becomes law.

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

U

D

**BILL DRAFT 2007-SHz-31 [v.3] (04/10)**

**(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)  
5/12/2008 4:46:45 PM**

Short Title: Improve Adult Care Home Screening and Care.

(Public)

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Sponsors: .

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Referred to:

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A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR AN ADULT CARE HOME SCREENING PROCESS FOR MENTAL HEALTH AND DEVELOPMENTAL DISABILITY CONDITIONS, APPROPRIATE FUNDS FOR TRANSITIONAL RESIDENTIAL TREATMENT PROGRAM PILOT SITES, APPROPRIATE FUNDS TO SUPPORT ASSESSMENT AND SERVICE PLAN DEVELOPMENT IN ADULT CARE HOMES, AND TO STUDY SUITABLE METHODS TO PROVIDE DIRECT CARE WORKERS WITH TARGETED AND COST EFFECTIVE TRAINING ON THE CARE OF INDIVIDUALS WITH MENTAL ILLNESS, AS RECOMMENDED BY THE STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

**SECTION 1. (a)** There is appropriated from the General Fund to the Department of Health and Human Services, Division of Medical Assistance, the sum of one million seven hundred sixty-four thousand dollars (\$1,764,000) for the 2008-2009 fiscal year to be used to design, develop, and implement on a pilot basis, a screening process for mental health and developmental disability conditions as part of the adult care home admission process. This process shall duplicate the nursing facility admission process and shall consist of an automated screening tool, and where indicated, a face-to-face assessment by a mental health or developmental disabilities professional. The mental health and developmental disabilities screening and assessment process will be compatible with, and support, the comprehensive assessment and service planning process now being implemented by adult care home providers.

**SECTION 1. (b)** The Department of Health and Human Services, Division of Medical Assistance, Division of Health Service Regulation, and Division of Mental Health, Developmental Disabilities, and Substance Abuse Services shall provide an interim report by October 15, 2008, and a final report by October 15, 2009, to the North

1 Carolina Study Commission on Aging, the Senate Appropriations Committee on Health  
2 and Human Services, and the House of Representatives Appropriations Subcommittee  
3 on Health and Human Services, on the design, development, and piloting of the  
4 screening process provided in this section. The report must contain the following  
5 information:

- 6 (1) The number of individuals that received initial screening prior to adult  
7 care home admission as a result of the pilot.
- 8 (2) The number of individuals that needed and received an additional  
9 mental health evaluation as a result of the pilot.
- 10 (3) Of the individuals screened, the number admitted to an adult care  
11 home.
- 12 (4) Of the individuals screened, the number for which adult care home  
13 placement was not deemed appropriate.
- 14 (5) A process chart of the screening process for adult care home  
15 admissions, depicting who performs the screening, and turnaround  
16 times for each step in the process.
- 17 (6) Information on whether pre-admission screening resulted in adult care  
18 home admission delays and how these are handled.
- 19 (7) A recommendation on whether the screening process should be  
20 expanded Statewide to include all individuals prior to adult care home  
21 admission.
- 22 (8) A recommendation on statutory or policy changes that are needed for  
23 Statewide implementation
- 24 (9) A breakdown of costs associated with Statewide implementation of a  
25 screening process.

26 **SECTION 2.** There is appropriated from the General Fund to the  
27 Department of Health and Human Services, Division of Mental Health, Developmental  
28 Disabilities, and Substance Abuse Services, the sum of five hundred sixty-seven  
29 thousand eighty-four dollars (\$567,084) for the 2008-2009 fiscal year to be used to fund  
30 three Transitional Residential Treatment Program pilot sites which shall be located in  
31 geographically diverse regions and shall begin operation in January 2009.

32 **SECTION 3. (a)** There is appropriated from the General Fund to the  
33 Department of Health and Human Services, Division of Medical Assistance, the sum of  
34 five hundred eighty thousand dollars (\$580,000) to support an existing resident  
35 assessment and service plan system being implemented by adult care home providers.

36 **SECTION 3. (b)** The Department of Health and Human Services, Division  
37 of Medical Assistance, and the Division of Health Service Regulation, shall provide an  
38 interim report to the North Carolina Study Commission on Aging, the Senate  
39 Appropriations Committee on Health and Human Services, and the House of  
40 Representatives Appropriations Subcommittee on Health and Human Services, by  
41 November 1, 2008, and a final report by November 1, 2009, on assessment and service  
42 plan development for adult care home residents and the use of funding appropriated in  
43 this section.

1           **SECTION 4.** The Department of Health and Human Services, Division of  
2 Medical Assistance, Division of Health Service Regulation, and Division of Mental  
3 Health, Developmental Disabilities, and Substance Abuse Services, shall work with  
4 adult care home providers and build on recent studies to determine the most appropriate  
5 and cost effective way to provide training on the care of individuals with mental illness  
6 to direct care workers in adult care homes by tailoring the training to resident  
7 assessment results and utilizing web-based formats as appropriate. The Department of  
8 Health and Human Services, Division of Medical Assistance, and the Division of Health  
9 Service Regulation, shall provide an interim report to the North Carolina Study  
10 Commission on Aging, the Senate Appropriations Committee on Health and Human  
11 Services, and the House of Representatives Appropriations Subcommittee on Health  
12 and Human Services, by November 1, 2008, and a final report by November 1, 2009, on  
13 findings and recommendations for training of direct care workers.

14           **SECTION 5.** This act becomes effective July 1, 2008.

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

**U**

**D**

**BILL DRAFT 2007-SQz-11 [v.1] (04/21)**

**(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)  
4/21/2008 11:46:20 AM**

Short Title: DHHS Study Group Respite.

(Public)

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Sponsors: .

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Referred to:

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1 A BILL TO BE ENTITLED  
2 AN ACT TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN  
3 SERVICES TO STUDY ISSUES RELATING TO RESPITE CARE AS  
4 RECOMMENDED BY THE STUDY COMMISSION ON AGING.  
5 The General Assembly of North Carolina enacts:  
6 **SECTION 1.(a)** The Department of Health and Human Services, Division of  
7 Aging and Adult Services shall study the adequacy of service standards and funding for  
8 group respite services. The study shall include determining whether opportunities exist  
9 to streamline and enhance the provision of respite services.  
10 **SECTION 1.(b)** The Department of Health and Human Services, Division of  
11 Medical Assistance shall study including respite services as part of the Medicaid State  
12 Plan.  
13 **SECTION 1.(c)** The Department shall report findings and recommendations  
14 to the North Carolina Study Commission on Aging on or before November 1, 2009.  
15 **SECTION 2.** This act is effective when it becomes law.

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

**U**

**D**

**BILL DRAFT 2007-SQz-12 [v.3] (04/21)**

**(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)  
5/12/2008 1:38:02 PM**

Short Title: DHHS to Study Older Adult Hearing Loss.

(Public)

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Sponsors: .

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Referred to:

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A BILL TO BE ENTITLED

AN ACT TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO STUDY ISSUES RELATING TO HEARING LOSS IN OLDER ADULTS IN NORTH CAROLINA AS RECOMMENDED BY THE STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** The Department of Health and Human Services, Division of Services for the Deaf and Hard of Hearing, shall study the impact of hearing loss on North Carolina's older adult population. The study shall examine the following:

- (1) The availability of and access to qualified professionals for diagnosis and treatment.
- (2) The availability of and access to hearing aid purchase assistance programs for low income individuals.
- (3) Developing an inventory of adaptive technology options available to assist older adults with hearing loss.
- (4) Resources and programs available in other states.

**SECTION 1.(b)** In response to the study authorized in this section, the Department of Health and Human Services shall present findings and recommendations to the Study Commission on Aging on or before November 1, 2009.

**SECTION 2.** This act is effective when it becomes law.

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

U

D

**BILL DRAFT 2007-RDz-26 [v.2] (04/19)**

**(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)  
4/29/2008 5:23:03 PM**

Short Title: Nursing Home Administrators Criminal History.

(Public)

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Sponsors: .

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Referred to:

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A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE NORTH CAROLINA STATE BOARD OF EXAMINERS FOR NURSING HOME ADMINISTRATORS TO OBTAIN CRIMINAL HISTORY RECORD CHECKS OF APPLICANTS FOR LICENSURE AS NURSING HOME ADMINISTRATORS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

**SECTION 1.** Chapter 90 of the General Statutes is amended by adding a new section 90-288.01 to read:

**"§90-288.01. Criminal history record checks of applicants for licensure.**

(a) The following definitions apply in this section:

(1) Applicant. – A person applying for initial licensure pursuant to either G.S. 90-278 or G.S. 90-287 or applying for renewal of licensure pursuant to G.S. 90-286.

(2) Criminal History. – A history of conviction of a State crime, whether a misdemeanor or felony, that bears on an applicant's fitness for licensure as a nursing home administrator. The crimes include the criminal offenses set forth in any of the following Articles of Chapter 14 of the General Statutes: Article 5, Counterfeiting and Issuing Monetary Substitutes; Article 5A, Endangering Executive and Legislative Officers; Article 6, Homicide; Article 7A, Rape and Other Sex Offenses; Article 8, Assaults; Article 10, Kidnapping and Abduction; Article 13, Malicious Injury or Damage by Use of Explosive or Incendiary Device or Material; Article 14, Burglary and Other Housebreakings; Article 15, Arson and Other Burnings; Article 16, Larceny; Article 17, Robbery; Article 18, Embezzlement; Article 19, False Pretenses and Cheats; Article 19A, Obtaining Property or Services by False or Fraudulent Use of Credit Devises or Other Means; Article 19B, Financial Transaction Card Crime Act; Article 20,

1 Frauds; Article 21, Forgery; Article 26, Offenses Against Public Morality and Decency;  
2 Article 26A, Adult Establishments; Article 27, Prostitution; Article 28, Perjury; Article  
3 29, Bribery; Article 31, Misconduct in Public Office; Article 35, Offenses Against the  
4 Public Peace; Article 36A, Riots and Civil Disorders; Article 39, Protection of Minors;  
5 Article 40, Protection of the Family; Article 59, Public Intoxication; and Article 60,  
6 Computer-Related Crime. The crimes also include possession or sale of drugs in  
7 violation of the North Carolina Controlled Substances Act in Article 5 of Chapter 90 of  
8 the General Statutes and alcohol-related offenses including sale to underage persons in  
9 violation of G.S. 18B-302 or driving while impaired in violation of G.S. 20-138.1  
10 through G.S. 20-138.5.

11 (b) Criminal History Record Check. – The Board may require a criminal  
12 history record check of an applicant. Refusal to consent to a criminal history record  
13 check may constitute grounds for the Board to deny licensure to an applicant. The  
14 Board may require the applicants to obtain criminal history record checks from one or  
15 more reporting services designed by the Board to provide criminal history record  
16 checks. Each applicant is required to pay the designated service for the cost of the  
17 criminal history record check. In the alternative, the Board may provide to the North  
18 Carolina Department of Justice the fingerprints of the applicant to be checked, a form  
19 signed by the applicant consenting to the criminal record check and the use of  
20 fingerprints and other identifying information required by the State or National  
21 Repositories, and any additional information required by the Department of Justice. The  
22 Board shall keep all information obtained pursuant to this section confidential. The  
23 Board shall collect any fees required by the Department of Justice and shall remit the  
24 fees to the Department of Justice for expenses associated with conducting the criminal  
25 history record check.

26 (c) Convictions. – If the applicant's criminal history check reveals one or  
27 more convictions listed under subsection (a)(2) of this section, the conviction shall not  
28 automatically bar licensure. The Board shall consider all of the following factors  
29 regarding the conviction:

- 30 (1) The level of seriousness of the crime.
- 31 (2) The date of the crime.
- 32 (3) The age of the person at the time of the conviction.
- 33 (4) The circumstances surrounding the commission of the crime, if  
34 known.
- 35 (5) The nexus between the criminal conduct of the person and the job  
36 duties of the position to be filled.
- 37 (6) The person's prison, jail, probation, parole, rehabilitation, and  
38 employment records since the date the crime was committed.
- 39 (7) The subsequent commission by the person of a crime listed in  
40 subsection (a) of this section.

41 (d) Denial of Licensure. – If the Board refuses to issue or renew a license  
42 based on information obtained in a criminal history record check, the Board must  
43 disclose to the person the information contained in the criminal history record check  
44 that is relevant to the Board's actions. The Board shall not provide a copy of the

1 criminal history record check to the person. A person has the right to appear before the  
2 Board to appeal the Board's decision. An appearance before the Board shall constitute  
3 an exhaustion of administrative remedies in accordance with Chapter 150B of the  
4 General Statutes.

5 (e) Limited Immunity. – The Board, its officers and employees, acting in good faith  
6 and in compliance with this section, shall be immune from civil liability for its actions based on  
7 information provided in an applicant's criminal history record check."

8 **SECTION 2.** Chapter 114 of the General Statutes is amended by adding a  
9 new section 114-19.24 to read:

10 **"§ 114-19.11. Criminal record checks of applicants for licensure as nursing home**  
11 **administrators.**

12 The Department of Justice may provide to the North Carolina State Board of  
13 Examiners for Nursing Home Administrators from the State and National Repositories  
14 of Criminal Histories the criminal history of any applicant for licensure as a nursing  
15 home administrator under Article 20 of Chapter 90 of the General Statutes. Along with  
16 the request, the Board shall provide to the Department of Justice the fingerprints of the  
17 applicant, a form signed by the applicant consenting to the criminal record check and  
18 use of fingerprints and other identifying information required by the State and National  
19 Repositories, and any additional information required by the Department of Justice. The  
20 applicant's fingerprints shall be forwarded to the State Bureau of Investigation for a  
21 national criminal history record check. The Board shall keep all information obtained  
22 pursuant to this section confidential. The Department of Justice may charge a fee to  
23 offset the cost incurred by it to conduct a criminal record check under this section. The  
24 fee shall not exceed the actual cost of locating, editing, researching, and retrieving the  
25 information."

26 **SECTION 3.** This act is effective when it becomes law.

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

U

D

**BILL DRAFT 2007-SHz-27 [v.3] (04/10)**

**(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)  
5/12/2008 4:43:01 PM**

Short Title: Raise Ceiling on Personal Prop. Sale/Guardian.

(Public)

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Sponsors: .

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Referred to:

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A BILL TO BE ENTITLED

AN ACT TO RAISE THE CEILING ON THE TOTAL AMOUNT OF PERSONAL  
PROPERTY A GUARDIAN IS ALLOWED TO SELL WITHOUT A COURT  
ORDER UNDER THE LAWS PERTAINING TO GUARDIANSHIP, AS  
RECOMMENDED BY THE HOUSE STUDY COMMITTEE ON STATE  
GUARDIANSHIP LAWS AND THE STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 35A-1251(17)a. reads as rewritten:

"In the case of an incompetent ward, a general guardian or guardian of the estate has the power to perform in a reasonable and prudent manner every act that a reasonable and prudent person would perform incident to the collection, preservation, management, and use of the ward's estate to accomplish the desired result of administering the ward's estate legally and in the ward's best interest, including but not limited to the following specific powers:

...

(17)a. Without a court order to lease any of the ward's real estate for a term of not more than three years, or to sell, lease or exchange any of the ward's personal property including securities, provided that the aggregate value of all items of the ward's tangible personal property sold without court order shall not exceed five thousand dollars (\$5,000) per accounting period, and shall not exceed the total aggregate amount of fifteen thousand dollars (\$15,000) over the duration of the estate. When any item of the ward's tangible personal property has a value which when increased by the value of all other tangible personal property previously sold in the estate without a court order would exceed five thousand dollars (\$5,000) in the current

1 accounting period, or the total aggregate amount of fifteen thousand  
2 dollars (\$15,000) over the duration of the estate, a guardian may sell  
3 the item only as provided in subdivision (17)b.

4 ...."

5 **SECTION 2.** G.S. 35A-1252(14)a. reads as rewritten:

6 "In the case of a minor ward, a general guardian or guardian of the estate has the  
7 power to perform in a reasonable and prudent manner every act that a reasonable and  
8 prudent person would perform incident to the collection, preservation, management, and  
9 use of the ward's estate to accomplish the desired result of administering the ward's  
10 estate legally and in the ward's best interest, including but not limited to the following  
11 specific powers:

12 ...

13 (14)a. Without a court order to lease any of the ward's real estate for a term  
14 of not more than three years, or to sell, lease or exchange any of the  
15 ward's personal property including securities, provided that the  
16 aggregate value of all items of the ward's tangible personal property  
17 sold without court order shall not exceed five thousand dollars  
18 (\$5,000) per accounting period, and shall not exceed the total  
19 aggregate amount of fifteen thousand dollars (\$15,000) over the  
20 duration of the estate. When any item of the ward's tangible personal  
21 property has a value which when increased by the value of all other  
22 tangible personal property previously sold in the estate without a court  
23 order would exceed five thousand dollars (\$5,000) in the current  
24 accounting period, or the total aggregate amount of fifteen thousand  
25 dollars (\$15,000) over the duration of the estate, a guardian may sell  
26 the item only as provided in subdivision (14)b.

27 ...."

28 **SECTION 3.** This act is effective when it becomes law.

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

**U**

**D**

**BILL DRAFT 2007-SHz-28 [v.3] (04/10)**

**(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)  
5/12/2008 4:43:37 PM**

Short Title: No Auto. Revoke/Driv. Lic./Incompetent Person.

(Public)

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Sponsors: .

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Referred to:

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A BILL TO BE ENTITLED

AN ACT AUTHORIZING THE DIVISION OF MOTOR VEHICLES TO CONSIDER  
RECOMMENDATIONS FROM THE CLERK OF COURT IN DETERMINING  
WHETHER TO REVOKE THE DRIVERS LICENSE OF A PERSON  
ADJUDICATED INCOMPETENT UNDER THE GUARDIANSHIP LAWS, AS  
RECOMMENDED BY THE HOUSE STUDY COMMITTEE ON STATE  
GUARDIANSHIP LAWS AND THE STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-17.1(a) reads as rewritten:

"(a) The Commissioner, upon receipt of notice that any person has been legally adjudicated incompetent or has been involuntarily committed to an institution for the treatment of alcoholism or drug addiction, shall forthwith make inquiry into the facts for the purpose of determining whether such person is competent to operate a motor vehicle. If a person has been adjudicated incompetent pursuant to the guardianship laws under Chapter 35A of the General Statutes, in making an inquiry into the facts, the Commissioner shall consider the clerk of court's recommendation regarding whether the incompetent person should be allowed to retain his or her driving privilege. Unless the Commissioner is satisfied that such person is competent to operate a motor vehicle with safety to persons and property, he shall revoke such person's driving privilege. Provided that if such person requests, in writing, a hearing, he shall retain his license until after the hearing, and if the revocation is sustained after such hearing, the person whose driving privilege has been revoked under the provisions of this section, shall have the right to a review by the review board as provided in G.S. 20-9(g)(4) upon written request filed with the Division."

1                   **SECTION 2.** This act is effective when it becomes law and applies to  
2 persons adjudicated incompetent under Chapter 35A of the General Statutes on or after  
3 that date.

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2007**

**H**

**1**

**HOUSE BILL 93\***

Short Title: Transport of Indiv. in Wheelchair Study. (Public)

Sponsors: Representatives Weiss, Earle, England (Primary Sponsors); Adams, Alexander, Bordsen, Carney, Clary, Coates, Coleman, Farmer-Butterfield, Fisher, Gibson, Glazier, Harrison, Jeffus, Lucas, Luebke, Martin, Mobley, Wainwright, Womble, and Wray.

Referred to: Rules, Calendar, and Operations of the House.

February 8, 2007

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE DEPARTMENT OF TRANSPORTATION TO STUDY  
ISSUES RELATING TO INDIVIDUALS BEING TRANSPORTED IN VEHICLES  
WHILE SEATED IN WHEELCHAIRS, AS RECOMMENDED BY THE NORTH  
CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

**SECTION 1.** The Department of Transportation shall study issues relating to the vehicular transportation of individuals seated in wheelchairs. The study shall include reviewing appropriate methods of transporting passengers who remain seated in wheelchairs while in motor vehicles and developing guidelines for the installation and use of wheelchair tie-down systems. The Department shall report its findings and any recommendations to the North Carolina Study Commission on Aging and the Joint Legislative Transportation Oversight Committee not later than February 1, 2008.

**SECTION 2.** This act is effective when it becomes law.

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2007**

**H**

**1**

**HOUSE BILL 92\***

Short Title: Medicaid Income Limits Level Study. (Public)

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Sponsors: Representatives Weiss, Earle, Bordsen, England (Primary Sponsors); Alexander, Carney, Clary, Coates, Coleman, Faison, Farmer-Butterfield, Fisher, Gibson, Glazier, Goforth, Harrison, Insko, Jeffus, Lucas, Luebke, Martin, Mobley, Saunders, Wainwright, E. Warren, Womble, and Wray.

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Referred to: Rules, Calendar, and Operations of the House.

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February 8, 2007

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO REVIEW OPTIONS FOR INCREASING MEDICAID MEDICALLY NEEDY INCOME LIMITS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

**SECTION 1.** The Department of Health and Human Services, Division of Medical Assistance, shall study the medically needy income standard. The study shall include determining a method for increasing the current standard while providing improved consistency across long-term care settings. The Department shall report its findings and recommendations to the North Carolina Study Commission on Aging not later than September 1, 2008.

**SECTION 2.** This act is effective when it becomes law.

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2007**

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**BILL DRAFT 2007-SQfz-14 [v.2] (04/28)**

**(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)**  
**4/30/2008 2:36:36 PM**

Short Title: Increase Long Term Care Insurance Tax Credit.

(Public)

Sponsors: .

Referred to:

A BILL TO BE ENTITLED  
AN ACT TO INCREASE THE LONG TERM CARE INSURANCE TAX CREDIT AS  
RECOMMENDED BY THE STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 105-151.28 reads as rewritten:

**"§ 105-151.28. (Repealed for taxable years beginning on or after January 1, 2013)**  
**Credit for premiums paid on long-term care insurance.**

(a) Credit. – A taxpayer whose adjusted gross income (AGI), as calculated under the Code, is less than the amount listed in this section is allowed, as a credit against the tax imposed by this Part, an amount equal to seventy-five percent (75%) of the premium costs the taxpayer paid during the taxable year on a qualified long-term care insurance contract that offers coverage to either the taxpayer, the taxpayer's spouse, or a dependent for whom the taxpayer was allowed to deduct a personal exemption under section 151(c) of the Code for the taxable year. The credit allowed by this section may not exceed one thousand dollars (\$1000.00) for each qualified long-term care insurance contract for which a credit is claimed. The credit allowed under this section may not exceed the amount of tax imposed by this Part for the taxable year reduced by the sum of all credits allowed, except payments of tax made by or on behalf of the taxpayer. A nonresident or part-year resident who claims the credit allowed by this subsection shall reduce the amount of the credit by multiplying it by the fraction calculated under G.S. 105-134.5(b) or (c), as appropriate.

<b>Filing Status</b>	<b>AGI</b>
Married, filing jointly	\$100,000
Head of Household	80,000
Single	60,000
Married, filing separately	50,000

1 (b) No Double Benefit. – No credit is allowed for payments that are deducted  
2 from, or not included in, the taxpayer's gross income for the taxable year. If the taxpayer  
3 claimed a deduction for health insurance costs of self-employed individuals under  
4 section 162(l) of the Code for the taxable year, the amount of credit otherwise allowed  
5 the taxpayer under this section is reduced by the applicable percentage provided in  
6 section 162(l) of the Code. If the taxpayer claimed a deduction for medical care  
7 expenses under section 213 of the Code for the taxable year, the taxpayer is not allowed  
8 a credit under this section. A taxpayer who claims the credit allowed by this section  
9 must provide any information required by the Secretary to demonstrate that the amount  
10 paid for premiums for which the credit is claimed was not excluded from the taxpayer's  
11 gross income for the taxable year.

12 (c) Definition. – For purposes of this section, the term "qualified long-term care  
13 insurance contract" has the same meaning as defined in section 7702B of the Code.

14 (d) Sunset. – This section is repealed for taxable years beginning on or after  
15 January 1, 2013."

16 **SECTION 2.** This act is effective taxable years beginning on or after  
17 January 1, 2009.

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

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**BILL DRAFT 2007-SQfz-15 [v.5] (04/29)**

**(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)  
4/29/2008 2:20:48 PM**

Short Title: Multiunit Asst. Housing Svs. Regis. Fee.

(Public)

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Sponsors: .

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Referred to:

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A BILL TO BE ENTITLED

AN ACT TO REQUIRE MULTIUNIT ASSISTED HOUSING WITH SERVICES  
(MAHS) PROGRAMS TO REGISTER ANNUALLY WITH THE DIVISION OF  
HEALTH SERVICE REGULATION AND TO AUTHORIZE THE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES TO ESTABLISH  
CERTAIN FEES, AS RECOMMENDED BY THE STUDY COMMISSION ON  
AGING.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 131D-2(a)(7a) reads as rewritten:

"(7a) Effective July 1, 1996, "multiunit assisted housing with services" means an assisted living residence in which hands-on personal care services and nursing services which are arranged by housing management are provided by a licensed home care or hospice agency, through an individualized written care plan. The housing management has a financial interest or financial affiliation or formal written agreement which makes personal care services accessible and available through at least one licensed home care or hospice agency. The resident has a choice of any provider, and the housing management may not combine charges for housing and personal care services. All residents, or their compensatory agents, must be capable, through informed consent, of entering into a contract and must not be in need of 24-hour supervision. Assistance with self-administration of medications may be provided by appropriately trained staff when delegated by a licensed nurse according to the home care agency's established plan of care. Multiunit assisted housing with services programs are required to register annually with the Division of Health

1 Service Regulation. The Department shall charge each registered  
2 multiunit assisted housing with services program a nonrefundable  
3 annual registration fee of three hundred and fifty dollars (\$350.00).  
4 Any individual or corporation that establishes, conducts, manages, or  
5 operates a multiunit housing with services program, subject to  
6 registration under this section, that fails to register is guilty of a Class  
7 3 misdemeanor, and upon conviction shall be punishable only by a fine  
8 of not more than fifty dollars (\$50.00) for the first offense and not  
9 more than five hundred dollars (\$500.00) for each subsequent offense.  
10 Each day of a continuing violation after conviction shall be considered  
11 a separate offense. Multiunit assisted housing with services programs  
12 are required to provide a disclosure statement to the Division of Health  
13 Service Regulation. The disclosure statement is required to be a part of  
14 the annual rental contract that includes a description of the following  
15 requirements:

- 16 a. Emergency response system;
- 17 b. Charges for services offered;
- 18 c. Limitations of tenancy;
- 19 d. Limitations of services;
- 20 e. Resident responsibilities;
- 21 f. Financial/legal relationship between housing management and  
22 home care or hospice agencies;
- 23 g. A listing of all home care or hospice agencies and other  
24 community services in the area;
- 25 h. An appeals process; and
- 26 i. Procedures for required initial and annual resident screening  
27 and referrals for services.

28 Continuing care retirement communities, subject to regulation by the  
29 Department of Insurance under Chapter 58 of the General Statutes, are  
30 exempt from the regulatory requirements for multiunit assisted  
31 housing with services programs."

32 **SECTION 2.** This act becomes effective January 1, 2010.

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

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**BILL DRAFT 2007-SHz-30 [v.3] (04/10)**

**(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)  
4/29/2008 3:50:22 PM**

Short Title: Special Asst. Income Disregard Study.

(Public)

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Sponsors: .

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Referred to:

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A BILL TO BE ENTITLED

AN ACT TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION OF AGING AND ADULT SERVICES, AND DIVISION OF MEDICAL ASSISTANCE, TO STUDY IMPLEMENTATION OF AN INCOME DISREGARD POLICY FOR CURRENT STATE/COUNTY SPECIAL ASSISTANCE AND MEDICAID RECIPIENTS WHO ARE ADVERSELY IMPACTED DUE TO COST OF LIVING OR OTHER INCOME INCREASES, AS RECOMMENDED BY THE STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** The Department of Health and Human Services, Division of Aging and Adult Services, and Division of Medical Assistance shall study implementation of an income disregard policy for current State/County Special Assistance and Medicaid residents who are adversely impacted due to cost of living or other income increases.

**SECTION 1.(b)** The Department of Health and Human Service, Division of Aging and Adult Services, and Division of Medical Assistance, shall report the findings and recommendations of the study contained in this section to the Study Commission on Aging, the Senate Appropriations Committee on Health and Human Services, and the House of Representatives Appropriations Subcommittee on Health and Human Services, on or before October 1, 2009.

**SECTION 2.** This act is effective when it becomes law.